

STUDENT ACCOUNTANT
ACCA'S MAGAZINE
FOR TRAINEES

JUNE 2013

SA

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HELPING OTHERS IN
DIFFICULT SITUATIONS

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EDITOR'S CHOICE



WELCOME TO THE JUNE ISSUE OF
STUDENT ACCOUNTANT

This month we take a look at the world of work. We discuss how to be a perfect employee and also take a look at the dos and don'ts of your out of office email message. We speak to people working in the insolvency sector as part of our sector focus series and also take a look at the accountancy sector in Cambodia, Kazakhstan and Qatar.

We also include a feature on managing your time at work and how to sell yourself to potential employers.

The technical section contains links to examinable documents, examiner

feedback, a page on examiner guidance, links to our study support videos, and information about customising your version of *Student Accountant Direct*.

Many of you will be taking exams during the coming fortnight. We wish you every success with these.

If you have any feedback about this issue, please email us at studentaccountant@accglobal.com

Victoria Morgan
Editor, *Student Accountant* magazine



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26

DISPATCH

- 06 GRAPHICS NEWS
- 08 PICTURE NEWS
- 10 NEWS ROUNDUP

LEARNING CENTRE

- 12 HOW TO: BE A STAR EMPLOYEE
- 14 OUT OF THE OFFICE EMAIL ETIQUETTE
- 16 TAKING THE PULSE OF THE GLOBAL ECONOMY
- 18 THE VIEW FROM: KAZAKHSTAN AND QATAR
- 20 ACCA CAREERS



- 22 THE IMPORTANCE OF GOOD TIMEKEEPING
- 24 PER: APPLYING YOUR KNOWLEDGE

FEATURES

- 26 STICKING TO INSOLVENCY
- 28 THE PERFECT PITCH
- 32 WORKING FOR AN NGO



SA TECHNICAL ARTICLE ARCHIVE

All technical content from *Student Accountant* is on ACCA's website

PRACTICAL EXPERIENCE

Why not log into your [myACCA](#) account to record your experience using the online recording tool *My Experience*?



37



43

TECHNICAL

34 TECHNICAL RESOURCES

Access the technical article archive at: www.accaglobal.com/en/student/acca-qual-student-journey/student-accountant/sa-archive.html



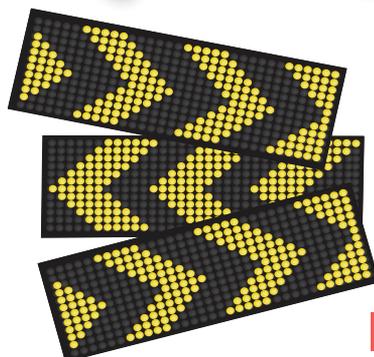
41



RESOURCES

39 NOTICEBOARD

ESSENTIAL INFORMATION ABOUT ACCA AND YOUR STUDIES
ACCA Connect, exam entry, subscriptions, recording your PER, and rules and regulations



41

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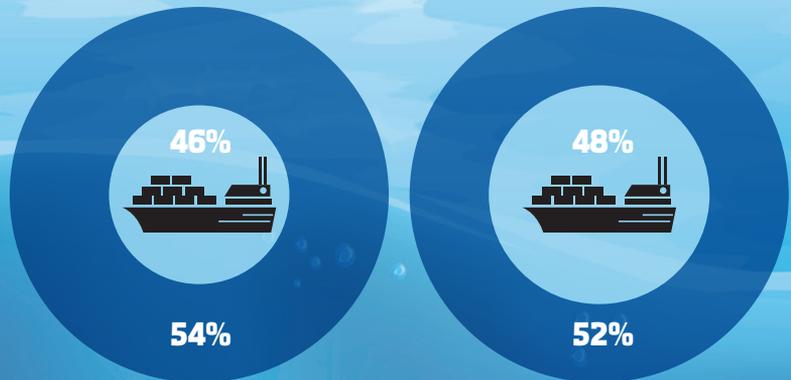
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FULL STEAM AHEAD FOR ASIA

Asia is the most dynamic trading region in the world. As the graphic shows, trade between the emerging Asian economies is forecast to get even bigger. China's trade growth will remain strong, with double-digit export growth especially to other rapid-growth markets, according to Ernst & Young's Rapid-Growth Markets Forecast.

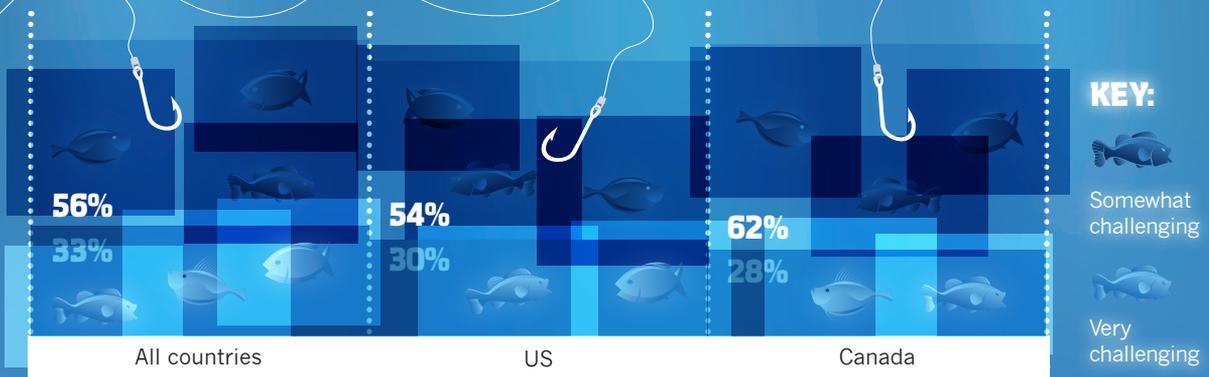


KEY: ● Within emerging Asia ● Outside emerging Asia

FISHING FOR TALENT GETS EVER HARDER

Over four-fifths – 83% – of financial services executives are concerned about losing their top performers this year, according to the latest Robert Half global hiring report. The survey includes responses from 1,100 FDs, CFOs and COOs in the US, Canada, France, Germany, Hong Kong, Singapore and the UK.

DIFFICULTY OF LANDING SKILLED FINANCIAL SERVICES PROFESSIONALS



KEY:
 Somewhat challenging
 Very challenging

WORRIED ABOUT LOSING TOP PERFORMERS



KEY:
 Somewhat concerned
 Very concerned

DIGITAL CONVERSATIONS AND THE C-SUITE

PwC's 5th Annual Digital IQ Survey shows that strong executive leadership and collaboration are crucial to building lasting value from information technology. The results show that those companies with strong relationships between the CIO and other C-suite members are four times as likely as those with less collaborative teams to be top performers (respondents who said they are in the top quartile of margin growth, revenue growth and innovation).

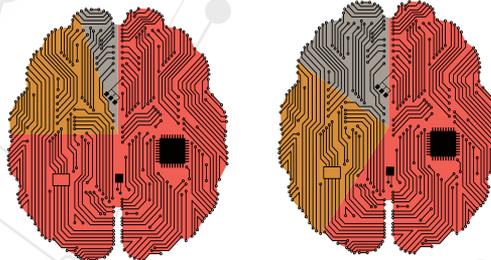
WHAT IS DIGITAL IQ?

Digital IQ is a measure of how well companies understand the value of technology and weave it into the fabric of their organisation.

COLLABORATORS

Strong collaborators think differently and act differently and were often found to achieve stronger results than other respondents in the survey.

KEY: ● Yes ● No ● Don't know

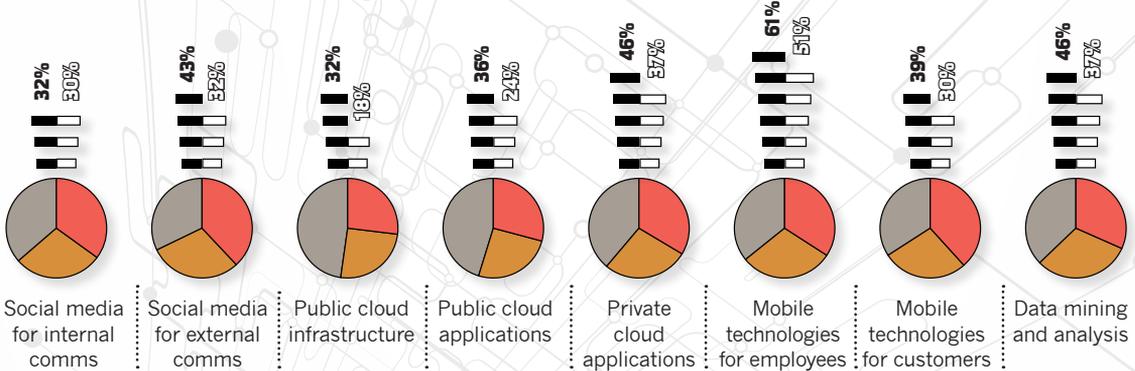


75% 19% 5%
Strong collaborators

59% 26% 16%
Other

A strong collaborator's roadmap links business and IT efforts. The study asked if a single, multi-year roadmap for the overall business strategy existed in the firms surveyed

KEY: ● Americas ● Europe ● Asia Pacific ● Strong collaborators ○ Others



Strong collaborators are more likely to be investing in emerging technologies in areas like mobile, social, cloud and big data. Which of these technologies are you currently investing in?



More than 1,100 senior executives were surveyed in the PwC study. 48% are based in the Americas, 30% in Europe, and 22% in Asia Pacific. Visit <http://tinyurl.com/aw7pqu> for the full survey.



US



BERMUDA

US
New Hollywood blockbuster *Iron Man 3*, starring Robert Downey Jr, features an accountant in a desperate situation

BERMUDA
Bermuda is among a number of British overseas territories to sign agreements on sharing tax information with a number of European countries

UK
Sir Alex Ferguson has retired after 26 years managing Manchester United Football Club. This year the English club became the first sports team in the world to be valued at US\$3bn



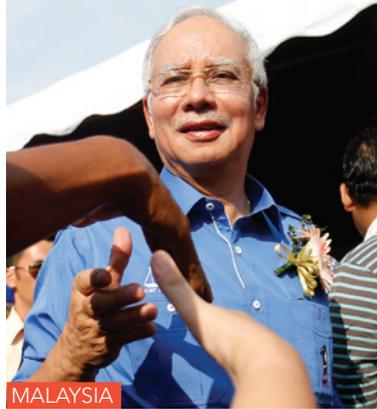
UK



CHINA

CHINA

Williams Grand Prix Holdings, the company behind British-based Formula One team Williams – pictured at the Chinese Grand Prix – suffered a £5m pre-tax loss in 2012, due to an accounting change



MALAYSIA

MALAYSIA

Malaysia's prime minister Najib Razak's Barisan Nasional coalition secured a further term in office after winning last month's general election

US

Apple has raised US\$17bn in the biggest corporate bond sale ever. The move will help the company avoid the tax costs of bringing its overseas cash back to the US

UK

Queen Elizabeth II and Prince Philip met the president of the UAE, Sheikh Khalifa bin Zayed al Nahyan, during his state visit to the UK in April



UK



US

NON-FINANCIAL REPORTING BOOST

The European Commission intends to amend two accounting directives to assist with greater non-financial disclosure by companies. The measures would affect about 18,000 businesses in the EU and improve reporting transparency on social and environmental issues. The move was welcomed by the International Integrated Reporting Council. Its chief executive, Paul Druckman, said: 'The Commission's proposals are an intelligent and logical milestone on the continuing journey towards integrated reporting as part of the evolution in corporate reporting globally.'

WORLDSREADS SUES EY

Ernst & Young is being sued over its audits of Dublin-headquartered Worldspreads, which is being administered by KPMG. Jane Moriarty, special administrator of Worldspreads and restructuring partner at KPMG, said: 'The appointment of administrators to Worldspreads followed the discovery of accounting irregularities... Following our initial review of this data and consultation with legal counsel, we have decided to take action against the firm's auditors to protect the position for clients and creditors.' EY does not accept it is liable for any losses suffered by Worldspreads or any related party and said it would 'vigorously defend' any proceedings. The firm added that an accurate audit is only possible if the auditor is 'supplied with full, accurate and complete information'.

SCANDINAVIA LEADS DIVERSITY

There is very slow progress in gender diversity outside of Europe, according to GMI Ratings' annual review, *Women on Boards*. The report was based on a survey of almost 6,000 companies in 45 countries. Women now hold 11% of board

CHINA AND US TO TACKLE CYBER SAFETY



US Secretary of State John Kerry has pledged to fight cyber crime in a joint effort with China

The US and China have agreed to work together on cyber safety, it was reported after talks in Beijing. US Secretary of State John Kerry told reporters after the visit to China that the two countries would set up a working group, with a view to speeding up action to prevent hacking attacks. 'The financial sector, banks, financial transactions, every aspect of nations in modern times are affected by the use of cyber networking,' Kerry said. 'Obviously all of us – every nation – has an interest in protecting its people, protecting its rights, and protecting its infrastructure.' The visit and Kerry's comments come after a period where the US and China have traded accusations over cyber attacks on US government computer networks and private companies.

seats at the world's largest and best-known companies – a 0.5 percentage points increase during 2012 and a 1.7 percentage points rise since 2009. Most of the improvement is in Europe. Increased representation on boards by women has been led by Norway, Sweden and Finland.

MIDDLE EAST M&A DOUBLES

Merger and acquisition deals in the Middle East have doubled in value in the last year, according to the latest M&A regional report from Ernst & Young. The value of M&A regional activity rose from US\$7.3bn in Q1 2012 to US\$14.6bn in the same period this year. There was a slight decline in the number of deals. Phil Gandier, head of transaction advisory services at EY for the MENA region, said: 'This increase can be attributed

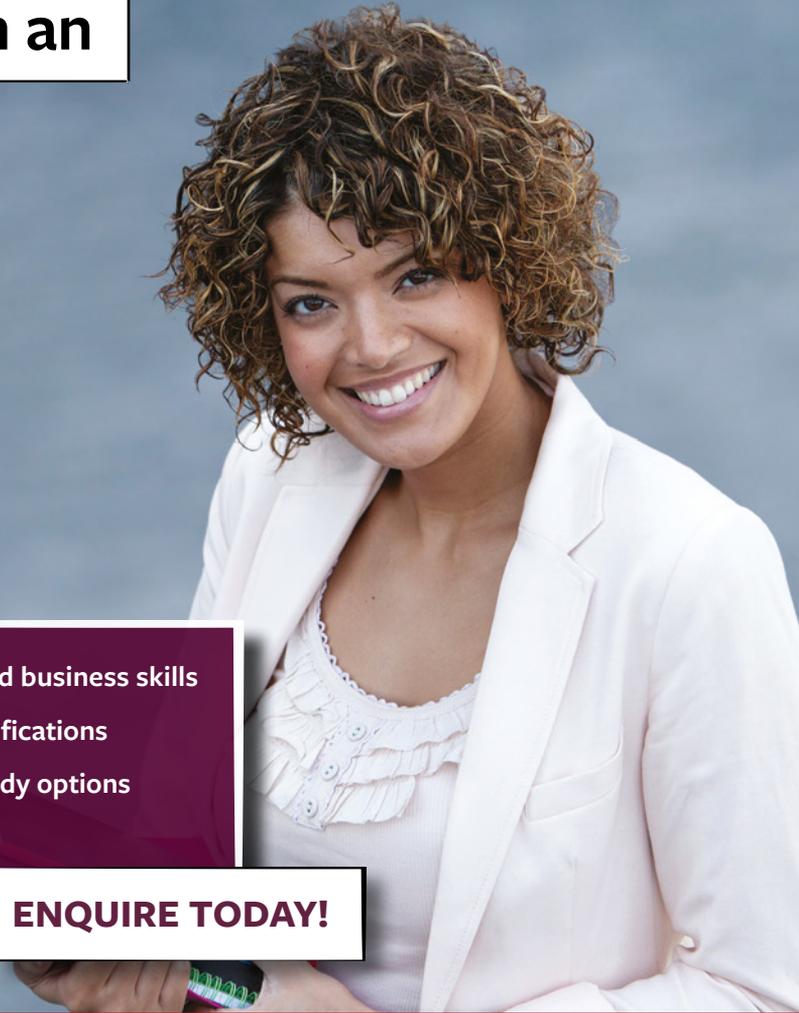
to growing investor confidence, improvement in the access to credit, relatively better convergence in pricing between investors and sellers and a hint of improved macro-economic conditions.'

GREEN TAX TOOL SHARPENED

The US, Japan, France, South Korea, China and the UK are the countries taking a lead in their use of green taxation, says KPMG. The assessment is based on an analysis of taxation in key policy areas such as energy efficiency, water efficiency, carbon emissions, green innovation and low carbon construction. Barbara Bell, head of KPMG's environmental tax team, said: 'Governments are increasingly using green taxes as a tool to change corporate behaviour and to assist with environmental policy objectives.'

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ACHIEVE MORE. BECOME MORE.

HOW TO BE A STAR EMPLOYEE

WE TAKE A LOOK AT SOME OF THE MOST IMPORTANT TRAITS THAT MAKE THE PERFECT EMPLOYEE – AND WHAT CONSTITUTES THE MODEL EMPLOYER. ALEX MILLER REPORTS

In what is a competitive jobs market, it is essential for trainees to shine in order to attract employers who are looking for those who can demonstrate they are ambitious and proactive in their ambitions to drive business growth.

There are several key ways to ensure you stand out from the rest and create the right impression.

Cultural fit is one of the most important traits to employers, so it is essential that trainees display strong interpersonal skills and are pleasant to be around. Employees need to be able to work well together, so having good camaraderie and team-building skills will help you along the way.

Tony Stevens, regional manager at Hays Senior Finance, says: 'We have increasingly seen employers place greater importance for soft skills in trainees. In particular, being articulate and flexible are key skills, as organisations want to attract trainees who they can develop and mould to fit their culture. It is these so-called soft skills that make will make a trainee stand out from the crowd.'

It is also vital that you are passionate about your job. If you do not truly enjoy what you are doing, this will be apparent to

your employer and may impact not only your motivation, but also the morale of your colleagues. Chances are that you will spend around 40 years of your life in a career, so it better be a profession you really enjoy.

Attitude is everything and it is essential to keep a positive, motivated outlook throughout your job hunt. At interview, a potential employee's personality and attitude will be just as much under scrutiny as their skills and it will always help to smile and exude positive, upbeat vibes.

Phil Sheridan, managing director at Robert Half International, says: 'Employers are looking for candidates who can find personal motivation to work hard and perform their job well.'

'Trainee accountants who are not afraid to put in the work, recognising that rewards may be long-term and not immediate, will fare well. Not only are they demonstrating their strong work ethic to their current employer, they are learning more and getting more on-the-job exposure that will help their future career prospects as well.'

In addition, a star employee will show that they are dependable, capable and hard working.

Nicholas Kirk, managing director at Page Personnel Finance, adds: 'Commerciality is the watchword this year as businesses are focusing on profitability and winning new business rather than just cutting costs.'

'Therefore, candidates who understand how to relate back to the bottom line and provide return on investment are very attractive. A good way to build this up is to always ask for hard measures for projects you work on (increase in profitability, savings generated, increase in output, etc) and make sure these are displayed prominently on your CV.'

EMPLOYER

On the flipside there are several key aspects that trainees are looking for from their employer.

Employees are increasing looking to their employers to support them through their professional exams and this support is viewed as a vital benefit.

Kirk adds: 'Trainees want to know that an employer has the



money and the infrastructure to support them while working towards exams.

‘And while not everyone is motivated by lucrative salaries, companies who have a reputation for paying at or above market rate for high-calibre talent will generally have more choice than those who try and get staff cheap.’

The opportunity to develop both personally and professionally is also crucial for job satisfaction. As a result, trainees look for companies that invest in their talent and have clear pathways for growth and promotion.

Stevens says: ‘Career development and progression is high on the list for employees as they want to be assured that their employer will invest time and resources to help them achieve their career ambitions.’

While companies need to make sure the work gets done, offering flexible work schedules or telecommuting options can help employees manage professional

CANDIDATES WHO UNDERSTAND HOW TO RELATE BACK TO THE BOTTOM LINE AND PROVIDE RETURN ON INVESTMENT ARE VERY ATTRACTIVE

as well as personal obligations, improving morale and productivity.

Sheridan adds: ‘Companies that maintain an open-door policy, where employees are comfortable speaking with their manager about concerns, will help foster an environment of trust while also reaffirming that employees are valued for their contributions.’

‘Most trainees want to know they work for a company that values them as an employee and that creates opportunities to help them achieve their goals. Managers should have regular meetings with individual team members to benchmark performance, creating goals to achieve and rewards for a job well done.’

