



ACCA



TRAINING AGREEMENT

between


and

FIRM'S NAME

NAME

.....
(The Employer)

.....
(The Employee)



Think Ahead

CONTENTS

Parties	3
.....	
Introduction	4
.....	
Definitions and interpretations	4
1 Employer's responsibilities	5
2 Principals and Authorised Supervisors	5
3 ACCA Professional Development Programme (PDP) requirements	6
4 Employee's responsibilities	6
5 ACCA South Africa Audit Qualification (SA AQ)	7
6 ACCA's role	7
7 Completion, Suspension or Cancellation of the Training Agreement	7
.....	
Annexure 1 – Practical Experience Requirement	9
.....	
Annexure 2 – Audit Competences	10
.....	
Annexure 3 – Approved Employer Criteria – Practising Certificate Development (PCD) stream	11

PARTIES

.....
[INSERT FIRM'S NAME]

whose registered address is

.....
[INSERT ADDRESS]

.....
[ACCA APPROVED EMPLOYER ID]

.....
[IRBA REGISTRATION NUMBER]

(the 'Employer'); and

.....
[INSERT EMPLOYEE'S FULL NAME]

of

.....
[INSERT PERSONAL ADDRESS]

(the 'Employee')

(Each referred to as a 'party' or the 'parties' within the context of this training agreement)

INTRODUCTION

This training agreement stipulates the respective obligations of the Employer and the Employee, in relation to the practical experience obtained by the Employee throughout the period of their employment, which shall be governed by the terms and conditions set out herein.

It is imperative to clarify that this training agreement does not encompass any provisions or obligations pertaining to conventional employee affairs as dictated by the requirements of the Basic Conditions of Employment Act of South Africa. These are dealt with separately by the additional Employment contract signed between both parties.

The parties agree to the following definitions, interpretations and responsibilities:

DEFINITIONS AND INTERPRETATIONS

The following definitions and rules of interpretation apply in this training agreement. In the event of any conflict between the content of this training agreement and the content of the ACCA Rulebook, the latter shall at all times take precedence. Therefore, this training agreement should not be regarded by an Employee, who is either an ACCA member or trainee, as a substitute for being familiar with the appropriate regulations in the ACCA Rulebook or, where necessary, obtaining specific advice concerning a specific situation.

- **ACCA** – the Association of Chartered Certified Accountants;
- **the Association** – the Association of Chartered Certified Accountants incorporated by Royal Charter issued to it in 1974 as amended from time to time;
- **ACCA Rulebook** – consists of the Royal Charter, Bye-laws and Council Regulations, the Regulations, and the Code of Ethics and Conduct. The Rulebook is updated regularly, in line with regulatory developments and policy requirements.
- **ACCA member** – an individual admitted to membership of the Association pursuant to the bye-laws;
- **ACCA trainee** – the term is used to refer to ACCA students and ACCA affiliates;
- **Approved Employer** – an organisation which has received the Association’s approved employer status for the provision of training towards a practising certificate (and audit qualification);
- **Firm** – a sole practice, partnership or body corporate including a limited liability partnership;
- **High-risk audit and related assurance work** – assurance engagements that are performed by Registered Auditors (RAs) and firms, and that are required in terms of legislation or regulation. Refer to IRBA’s classification of assurance engagements.
- **IRBA** – the Independent Regulatory Board of Auditors, South Africa
- **Practical Experience Requirement (PER)** – refers to ACCA’s practical experience requirement (PER), which is a key component of the ACCA Qualification. To become an ACCA member all ACCA trainees (students and affiliates) must successfully complete the ACCA exams, the Ethics and Professional Skills module, and the Practical Experience Requirement.
- **Practical Experience Supervisor (PES)** – a person that supports an ACCA trainee’s development in the workplace and reviews their PER progress and achievements. To be eligible to sign off ACCA trainees’ performance objectives the PES must be a qualified accountant recognised by law in the relevant country and/or a member of an IFAC body; and they must have knowledge of their work;
- **Training Principal** – an appropriately qualified member of a professional accountancy body who has overall responsibility for supervising the training of individuals towards ACCA’s practising certificates (and audit qualification) and acts as guarantor to ACCA that individuals have reached the required standards. Full details on the eligibility requirements can be found in section 2.

1 EMPLOYER'S RESPONSIBILITIES

The ACCA Approved Employer Programme recognises employers' high standards of staff training and development. ACCA are committed to ensuring their students, affiliates and members have the right skills, technical expertise, ethics and competences to add value and drive businesses forward around the world. As an ACCA Approved Employer, the Employer plays a vital role in ensuring ACCA trainees and members have access to regular professional development and support.

In line with the Employer's accreditation as an Approved Employer under the Practising Certificate Development (PCD) stream, the Employer is responsible for the following:

- 1.1 The Employer will provide ACCA trainees and/or members with the opportunity to undertake activities that meet the ACCA audit qualification requirements. The Employer will evaluate the practical experience that has been achieved and identify further development opportunities in areas where practical experience is still not sufficient.
- 1.2 The Employer will set ACCA trainees' and/or members' objectives as part of an appraisal process allowing individuals to be clear on what they are expected to deliver in their role. These will be discussed and documented at least once every six months.
- 1.3 The Employer will provide ACCA trainees and members with the resources needed to achieve their objectives through the application of suitable policies and the provision of staff support.
- 1.4 Where an ACCA trainee or member is working towards an ACCA audit qualification, the Employer will formally discuss and re-assess their objectives at least once every six months. This process will be documented accordingly.
- 1.5 Training principals and authorised supervisors/PES (as defined in Section 2) to understand their roles and responsibilities in relation to a trainee and/or member training towards an ACCA audit qualification. This is confirmed to ACCA as part of the Employer's initial application to the Approved Employer programme and during the regular monitoring processes.
- 1.6 Where ACCA trainees and/or members are training towards an ACCA audit qualification, the Employer will review their practical experience at least once every six months. However, ACCA trainees and/or members remain responsible for documenting this experience and providing it for review in a timely manner in advance of these reviews.
- 1.7 Principals and authorised supervisors are qualified accountants and eligible to act in this position. Section 2 below defines the terms "principal" and "authorised supervisors".
- 1.8 It is the Employer's responsibility to provide a signed copy of this training agreement to ACCA.
- 1.9 The Employer is responsible for informing ACCA of any cancellations of training agreements, as detailed in section 7 below.
- 1.10 The Employer is responsible to remain current with any changes to the Approved Employer programme, as conveyed by ACCA on an occasional basis.

2 PRINCIPALS AND AUTHORISED SUPERVISORS

The following section sets out the definitions of "principal" and "authorised supervisor" alongside the requirements for their qualifications:

- 2.1 A principal is defined as an appropriately qualified member of a professional accountancy body who has overall responsibility for supervising the training of individuals towards ACCA's practising certificates (and audit qualification) and acts as guarantor to ACCA that individuals have reached the required standards.
- 2.2 In order to be eligible to act as a training principal, the individual must be a registered auditor in South Africa.
- 2.3 A principal may delegate to an authorised supervisor the review of members' and trainees' practical experience. The authorised supervisor is not required to be a registered auditor but must be a qualified member of a professional accountancy body.
- 2.4 The principal must ensure that the authorised supervisor has the necessary qualifications and experience. The authorised supervisor must be a senior staff member in the organisation, have knowledge of the individual's work and the training undertaken.
- 2.5 The ultimate responsibility for signing off the ACCA trainees' and/or members' practical experience lies with the training principal.

An extract from ACCA Approved Employer criteria is provided in Annexure 3.

3 ACCA PROFESSIONAL DEVELOPMENT PROGRAMME (PDP) REQUIREMENTS

The following are the minimum requirements in relation to practical experience that must be met in order to be eligible for the ACCA South Africa Audit Qualification:

- 3.1 Achieve the minimum required performance objectives as part of ACCA's Practical Experience Requirement (PER). ACCA's PER is based on the International Federation of Accountants (IFAC) International Education Standard 5, Practical Experience Requirements. ACCA's PER develops the professional knowledge and values, ethics and behaviours needed to become a professionally qualified accountant. There are three components to the PER:
 - a achieve five (5) essentials and any four (4) technical performance objectives by gaining the experience required to achieve the necessary elements and complete a statement for each performance objective, which are signed off by the Practical Experience Supervisor. Detailed list of the performance objectives is provided in Annexure 1.
 - b complete thirty-six (36) months' experience in one or more accounting or finance-related role which is verified by the Practical Experience Supervisor.
 - c The Employee is required to maintain an online *My Experience* record, which can be accessed via *myACCA*, or any other training record specified by ACCA, in accordance with the guidance notes for completion issued by ACCA. The Employee must make their *My Experience* record, or any other training record specified by ACCA, available to the Employer and to ACCA when requested.
- 3.2 Achieve all nine (9) audit competences as listed in Annexure 2.
- 3.3 Achieve at least 1,540 hours of supervised audit and assurance experience within a three-year period*, of which at least 770 hours are in high-risk audits and related assurance work. This must be achieved at an Approved Employer based in South Africa and registered for the Practising Certificate Development (Audit) stream.

*As a guideline, three years of full-time experience equates to 4,620 hours of working time. At least 1,540 hours of the experience in the three years must be in audit work. Of those, at least 770 hours must be in high-risk audits and related assurance work.
- 3.4 Record the evidence of experience in an approved ACCA document and have that verified by a suitably qualified supervisor, as indicated in Section 2.

- 3.5 Be supervised by a training principal who is a registered auditor throughout the whole training period. If the supervision of the practical experience has been delegated from the training principal to the authorised supervisor, the ultimate responsibility for signing off the ACCA trainees' and/or members' practical experience still lies with the training principal.

4 EMPLOYEE'S RESPONSIBILITIES

It is essential to understand the expectations and responsibilities that come with this training agreement. The section below outlines the key responsibilities that the Employee will be required to fulfil during the course of this training agreement. Clear communication and adherence to these responsibilities will ensure a successful and productive training experience for the Employee and the Employer.

- 4.1 ACCA trainees and members must understand their roles and responsibilities in relation to training towards an ACCA audit qualification.
- 4.2 Participate in the formal appraisal process where objectives are set and performance are discussed and documented.
- 4.3 Comply with the relevant policies and procedures as set by the Employer in relation to the work performed.
- 4.4 Where an ACCA trainee or member is working towards an ACCA audit qualification, engage in formal discussions and re-assessment of their objectives at least once every six (6) months. This process will be documented accordingly.
- 4.5 Record the evidence of experience in an approved ACCA document and have that verified by a suitably qualified supervisor. It is the Employee's responsibility to document the details of this experience and provide this for review at least once every six (6) months. It is the Employee's responsibility to document the details of this experience and provide this for review in a timely manner at least once every six (6) months.
- 4.6 Where ACCA trainees and/or members are training towards an ACCA audit qualification, they must record their experience and provide it for review to their supervisor(s) at least once every six (6) months.
- 4.7 Upon termination of the Employee's employment contract or this training agreement, the Employee is responsible for updating their records with ACCA.

5 ACCA SOUTH AFRICA AUDIT QUALIFICATION (SA AQ)

- 5.1 Upon completion of the PDP requirements, ACCA members become eligible to obtain ACCA's SA AQ. This is awarded separately and not directly linked to an ACCA practising certificate.
- 5.2 The ACCA member will then be able to use the obtained ACCA SA AQ to enter IRBA's Audit Development Programme (ADP). This must be completed in order to become eligible to obtain Registered Auditor status in South Africa.
- 5.3 Upon obtaining a Registered Auditor status in South Africa, the ACCA member must register themselves onto ACCA's Register of Practitioners. This ensures that their Registered Auditor status is also captured in the ACCA member directory, which is accessible through ACCA's website. If an ACCA member loses their Registered Auditor status in South Africa, the member must update ACCA accordingly. These steps ensure that the ACCA Register of Practitioners is accurate and reflects the current status of the ACCA member.

6 ACCA'S ROLE

The Employer and the Employee should be aware of ACCA's role and the available support during the training period, which includes the following:

- 6.1 ACCA is responsible for the provision, maintenance and update of any recording tools and documents in order to assist its members and trainees with the documentation of the obtained practical experience.
- 6.2 ACCA is responsible for the regular monitoring of the Approved Employer accreditation status of the employer.
- 6.3 ACCA is responsible for the registration of signed training agreements with IRBA.

7 COMPLETION, SUSPENSION OR CANCELLATION OF THE TRAINING AGREEMENT

- 7.1 This training agreement is deemed completed and will terminate automatically once the ACCA member or trainee has achieved the PDP requirements listed in Section 3 above.
- 7.2 Upon completion of the training agreement, the Employee shall submit their completed training records to ACCA as part of the application for the South Africa Audit Qualification (SA AQ). In this regard, the Employee shall ensure that all information necessary for the completion of the relevant tools and documents is recorded and updated over the period of their training agreement.

- 7.3 Other than in the circumstances of the completion of the training agreement in accordance with Section 8.2, the training agreement may be cancelled in the event of the Employee being found guilty of improper conduct or in breach of (i) the disciplinary rules of ACCA Rulebook and Bye-laws, or (ii) the Independent Regulatory Board for Auditors rules and regulations, and/or (iii) any misconduct by virtue of the Employee's employment contract in terms of this training agreement.
- 7.4 In the event of termination of the Employee's employment contract (howsoever caused), the training agreement with the Employer shall terminate automatically. Any experience that the ACCA member or trainee obtained under their training agreement with the Employer may continue to be recognised for the purposes of completing the overall requirements of ACCA's PDP. In cases where the training agreement is terminated or cancelled pursuant to Section 8.3 (improper misconduct or misconduct by virtue of the Employee's employment contract etc), the final decision of what part of the experience (if any) can be recognised, shall be determined by ACCA, whose decision shall be final.
- 7.5 The Employer is responsible for informing ACCA of any cancellations of training agreements or employment contracts of ACCA members and/or trainees.

SIGNED by the parties and witnessed on the following dates and at the following places respectively:

SIGNED AT

.....
on this day of 20 ..

.....
Training agreement start date

For and on behalf of THE EMPLOYER:

.....
Signature

.....
Witness signature

.....
Name of Signatory

.....
Witness name

.....
Job title of Signatory

.....
Witness job title

SIGNED AT

.....
on this day of 20 ..

THE EMPLOYEE:

.....
Signature

.....
Witness signature

.....
Name of Signatory

.....
Witness name

.....
ACCA trainee registration number or membership number

.....
Employee ID / Passport number

TRAINING PRINCIPAL information:

.....
Full name

.....
Professional membership body

.....
Membership number

.....
IRBA registration number

.....
Training principal's signature

.....
Approval date of the training agreement

PRACTICAL EXPERIENCE SUPERVISOR (PES) information:

.....
Full name

.....
Professional membership body

.....
Membership number

ANNEXURE 1: PRACTICAL EXPERIENCE REQUIREMENT

PERFORMANCE OBJECTIVES

ESSENTIALS – complete all five

- 1 Ethics and professionalism
- 2 Stakeholder relationship management
- 3 Strategy, innovation and sustainable value creation
- 4 Governance, risk and control
- 5 Leadership and management

TECHNICAL – choose any four

Corporate and business reporting

- 6 Record and process transactions and events
- 7 Prepare external financial reports
- 8 Analyse and interpret financial reports

Financial management

- 9 Evaluate investment and financing decisions
- 10 Manage and control working capital
- 11 Identify and manage financial risk

Management accounting

- 12 Evaluate management accounting systems
- 13 Plan and control performance
- 14 Monitor performance

Taxation

- 15 Tax computations and assessments
- 16 Tax compliance and verification
- 17 Tax planning and advice

Audit and assurance

- 18 Prepare for and plan the audit and assurance process
- 19 Collect and evaluate evidence for an audit or assurance engagement
- 20 Review and report on the findings of an audit or assurance engagement

Advisory and consultancy

- 21 Business advisory

Data, digital and technology

- 22 Data analysis and decision support

ANNEXURE 2: AUDIT COMPETENCES

Unit AQ1 – Prepare for and plan the audit process

Elements	
AU1	Identify ethical, legal and engagement requirements on an audit
AU2	Determine the level of audit risk
AU3	Evaluate the risk within an organisation's internal control structure

Unit AQ2 – Collect and evaluate evidence for an audit

Elements	
AU4	Co-ordinate the delivery of audit evidence
AU5	Evaluate evidence collected for an audit
AU6	Make judgements about the truth and fairness of an organisation's financial statements

Unit AQ3 – Review and report on the findings of an audit

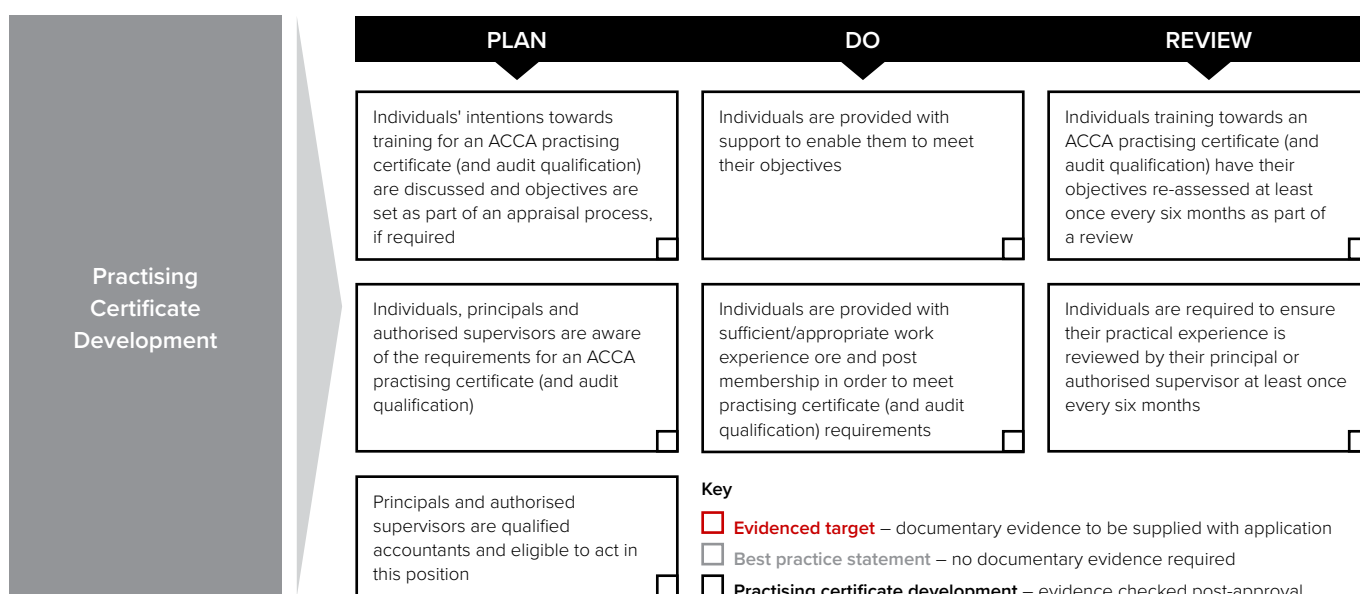
Elements	
AU7	Review the performance of an audit
AU8	Advise on the findings and implications of an audit
AU9	Prepare a formal audit report

ANNEXURE 3: APPROVED EMPLOYER CRITERIA – PRACTISING CERTIFICATE DEVELOPMENT (PCD) STREAM

The following criteria are first assessed at the application stage for the PCD approval and the relevant evidence of those is then reviewed and assessed again as part of the monitoring process. The initial monitoring is undertaken within 12 months of the firm being conditionally approved as an Approved Employer.

In order to be eligible for ACCA's audit qualification, the organisation must hold the Audit stream of the PCD approval.

APPROVED EMPLOYER CRITERIA





accaglobal.com

The information contained in this publication is provided for general purposes only. While every effort has been made to ensure that the information is accurate and up to date at the time of going to press, ACCA accepts no responsibility for any loss which may arise from information contained in this publication.
No part of this publication may be reproduced, in any format, without prior written permission of ACCA.

© ACCA JULY 2024