



In association with

aat

THE FLEXIBLE ROUTE TO  
**CHARTERED ACCOUNTANCY**  
FOR YOUR AAT EMPLOYEES



BUSINESS WITH CONFIDENCE

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# INTRODUCTION

## WHAT IS THE AAT-ACA FAST TRACK?

Designed in partnership between ICAEW and AAT (Association of Accounting Technicians), the AAT-ACA Fast Track is a programme that enables individuals to build on the knowledge and skills they have gained during AAT training. It provides career development and a structured progression into chartered accountancy in as little as two years. It is now one of the fastest growing ways into the profession. AAT-ACA Fast Track students regularly claim top honours at ACA exam awards ceremonies.

## WHY TRAIN CHARTERED ACCOUNTANTS?

- Career development and opportunity for your talented AAT employees.
- Helps develop and grow your future partners and directors.
- Part of your recruitment, retention and succession planning strategies.
- Helps safeguard the 'chartered' status of your firm.
- ACA training develops a wide breadth and depth of skills and knowledge allowing ICAEW Chartered Accountants to add value across many areas of your organisation.



We need to train highly qualified technically excellent staff. We have found the ACA qualification to be perfect in this respect and the AAT-ACA Fast Track route is ideal for a small practice like ourselves.

We are also looking to the future, and in order to retain our chartered status it is important that the next tier of management coming through the firm also have the chartered accountant qualification.

**Vicky Atkinson, Director,  
Riley & Co Ltd, Halifax**

# FROM AAT TO ACA IN TWO YEARS

Employees can continue their development after AAT to become an ICAEW Chartered Accountant in as little as two years. However, flexibility is a key feature of this progression route, so you can opt for a longer training period if it better suits your students' abilities or the business needs of your organisation.

## CREDITS AVAILABLE

Previous experience and knowledge gained during AAT may be credited towards the ACA qualification, allowing individuals to qualify more quickly.

**Exam credits:** Up to five credits for prior learning (exam exemptions) are available to AAT members depending on which AAT assessments they have passed. Find out more at [icaew.com/cpl](https://www.icaew.com/cpl)

**Work experience credit:** Those with previous work experience may also be eligible for up to 12 months of credit for prior work experience (if this has been done within an organisation that is a recognised ICAEW authorised training employer). Find out more at [icaew.com/twe](https://www.icaew.com/twe)

## CONVENIENCE AND CHOICE FOR ALL

As an employer you are in the driving seat. The ACA Professional Stage exam modules can be attempted in any order either individually or together: you can decide which ones your students will sit and when. This helps ensure that your students' studies complement the work they are doing and allows you to fit their studies around your organisational needs and business cycles.

- The knowledge modules are computer-based exams and available at any time during the year.
- The application module exams are held in March, June, September and December.
- The Advanced Stage exams are held in July and November. These modules can also be sat individually or together, although the Case Study can only be taken once students have entered the final year of their training agreement.

## FUNDING AVAILABLE

Apprenticeship funding may be available in England covering up to 100% of training costs for organisations that progress their qualified AAT staff on to the ACA qualification through the AAT-ACA Fast Track. The level of funding depends on the age of your apprentice.

ICAEW, AAT and the National Apprenticeship Service\* are working together to promote apprenticeship opportunities in the accountancy profession. You can find more details at [apprenticeships.org.uk](https://www.apprenticeships.org.uk)

This information is accurate at the time of print.

\* The National Apprenticeship Service covers England only. Funding for Apprenticeships is also available in Scotland, Wales and Northern Ireland. Different eligibility rules may apply.



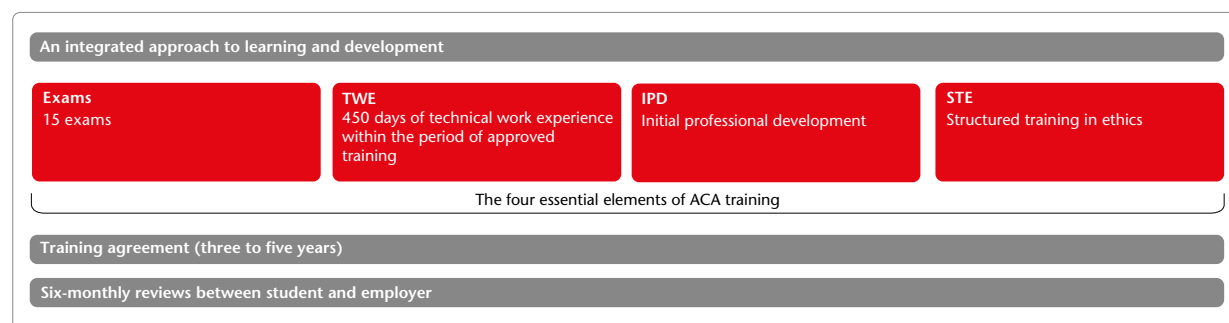
We have a potential ACA trainee who has completed the initial stages of her accountancy training following the AAT syllabus. Becoming an ICAEW authorised training employer has come at an ideal time for us to consider her next steps.

**Amanda Vigar, Managing Partner,  
Vigar & Associates, Peterborough**

# THE ACA OVERVIEW

## THE FOUR ESSENTIAL ELEMENTS OF THE ACA

The ACA qualification has four essential elements. All of which must be successfully completed to qualify as an ICAEW Chartered Accountant.



### Exams

Up to five credits for prior learning available although this will vary depending on the AAT learning and assessment areas your student has passed.

### Technical work experience (TWE)

TWE is 'real' work of a financial, business and/or commercial nature from **at least one** of the following areas: audit and assurance, accounting, taxation, financial management, information technology or insolvency. Credit for prior work experience available.

### Initial professional development (IPD)

The development of added-value professional skills in five key areas including ethics and professionalism, personal effectiveness, technical and functional expertise, business awareness and professional judgement.

### Structured training in ethics (STE)

This online, interactive ethics training and assessment package helps ensure students can apply ethical principles in their work, resolve dilemmas and know when to ask for help. Regular ethics training is required throughout the ACA.

## THE ACA TRAINING AGREEMENT

As an employer, you will also need to issue each student with an ACA training agreement. This is a formal written agreement between the employer and the student. It outlines the support you will provide to your student (eg, number of study days and number of exam attempts you will support), and it shows the commitment of your student to studying for, and passing the required elements of the ACA. You will also need to meet with your student every six months during training to discuss their progress and help ensure they are on track to qualify as an ICAEW Chartered Accountant.

## WHAT IS COVERED IN EACH MODULE?

### ADVANCED STAGE

- Integrated ethics ● Credit for prior learning available for those with the AAT Accounting qualification ● Top-Up paper instead of full module

#### TECHNICAL INTEGRATION – BUSINESS CHANGE ●

- demonstrating knowledge, planning skills and ability to give advice
- analysing and interpreting internal and external financial and non-financial information covering: taxation and law; business strategy; business analysis; financial management; performance management and costing; financial and corporate reporting and accounting; audit and assurance
- ethics

#### TECHNICAL INTEGRATION – BUSINESS REPORTING ●

- a multi-disciplinary approach, covering: financial and corporate reporting and accounting; audit and assurance; taxation; law; ethics
- applying technical knowledge and professional judgement to business scenarios
- compliance based scenarios
- commercial, practical advice

#### CASE STUDY ●

- requires demonstration of knowledge, skills and practical application from multiple areas of the syllabus
- tests professional skills in the context of a specific business issue
- demands ability to analyse financial and non-financial information
- requires demonstration of professional and ethical judgement
- development of conclusions and recommendations required
- relates to how students will be expected to work

### PROFESSIONAL STAGE – APPLICATION MODULES

#### AUDIT AND ASSURANCE ●

- legal, ethical and current issues
- accepting and managing engagements
- planning assurance engagements
- concluding and reporting on assurance engagements

#### BUSINESS STRATEGY ●

- strategic analysis
- strategic choice
- implementation and monitoring of strategy

#### FINANCIAL ACCOUNTING ●

- accounting and reporting concepts
- preparation of single company financial statements
- preparation of consolidated financial statements

#### FINANCIAL MANAGEMENT

- financial options
- managing financial risk
- investment decisions and valuation

#### FINANCIAL REPORTING ●

- current issues in the reporting framework
- formulation of accounting and reporting policies
- preparation and presentation of extracts from financial statements
- analysis and interpretation of financial information

#### TAXATION ●

- application of the principles of tax to businesses: (companies; partnerships and sole traders)
- application of the principles of tax to individuals

### PROFESSIONAL STAGE – KNOWLEDGE MODULES

#### ACCOUNTING ●

- maintaining financial records
- adjustments to accounting records and financial statements
- preparing financial statements

#### ASSURANCE ●●

- concept, process and need for assurance
- internal controls
- gathering evidence on an assurance engagement
- professional ethics

#### BUSINESS AND FINANCE ●●

- business objectives and functions
- business and organisational structures
- the role of finance and the accountancy profession
- governance, sustainability, corporate responsibility and ethics
- the external environment

#### LAW ●

- impact of civil and criminal law on business and professional services
- company and insolvency law
- impact of law in the professional context

#### MANAGEMENT INFORMATION ●

- costing and pricing
- budgeting and forecasting
- performance management
- management decision-making

#### PRINCIPLES OF TAXATION ●●

- the objectives and types of tax
- ethics and administration
- income tax and national insurance contributions
- capital gains tax and corporation tax on chargeable gains
- corporate tax
- VAT

# WHAT'S INVOLVED YEAR BY YEAR

## YEAR 1

### AAT Level 3 Diploma in Accounting

Students with A-levels (or the international equivalent) or previous accounting experience can begin their AAT training at this level. It can usually be completed in about a year. Each learning and assessment area at this level of the AAT Accounting qualification is mandatory, so students will have all the necessary subjects to count towards the ACA.

#### NVQ or Diploma pathway

If students have completed the NVQ or Diploma pathway to AAT, they are still eligible to fast track to the ACA.

#### AAT accredited employer scheme

This free accreditation scheme is available to organisations who employ one or more AAT student or AAT professional member. There are exclusive benefits and support for students, members and employers. Find out more at [aat.org.uk/employers](http://aat.org.uk/employers) or contact [employer@aat.org.uk](mailto:employer@aat.org.uk)

#### Technical work experience requirements and ICAEW authorisation

If you think you'd like to move your student on to the AAT-ACA Fast Track after their AAT training, now is the time to ensure that your organisation is an ICAEW authorised training employer. This would allow your AAT students to claim credits for the work experience that they gain from now and to count this towards the work experience requirements of the ACA qualification. Authorisation is a free and straightforward process. More information is available at [training@icaew.com](mailto:training@icaew.com) or [icaew.com/employers](http://icaew.com/employers)

However, you (or your students) do not need to commit to the full AAT-ACA Fast Track at this stage. You can see how your students progress through their AAT qualification and consider their development plans before you set up the ACA training agreement.

## YEAR 2

### AAT Level 4 Diploma in Accounting

Students will complete four compulsory AAT learning and assessment areas at this stage. This enables them to apply for credit (exam exemption) on the following modules of the ACA qualification:

- Accounting;
- Business and Finance;
- Management Information; and
- Financial Accounting – a Top-Up paper is available instead of the full ACA module.

Students will need to complete two optional learning and assessment areas at this stage of their AAT. Depending on which AAT modules they complete, credit for other ACA exams may be available.

- Principles of Taxation – students will need to have passed BOTH **Preparing Business Taxation Computations AND Preparing Personal Taxation Computations** at AAT to be eligible to apply for credit of this ACA exam module.
- Assurance – students will need to have passed the AAT **External Auditing** exam to be eligible to apply for credit of this ACA exam module.

Find out more on credit for prior learning at [icaew.com/cpl](http://icaew.com/cpl)

Students working for ICAEW authorised training employers can count the work experience gained during this year towards their ACA technical work experience requirements up to a maximum of 12 months. Your students will need to register now with ICAEW and keep a record of their work experience during this year.

When your students have completed their AAT assessments, they should apply for full membership of the AAT. Find out about the benefits of AAT full membership for both you and your employees at [aat.org.uk/employers](http://aat.org.uk/employers)

#### Help with funding?

See page 5 of this brochure for information on the potential for apprenticeship funding.



## YEAR 3

### ACA Professional Stage

Once a qualified AAT full member, your staff can start their journey to gain the ACA and become an ICAEW Chartered Accountant. They can also benefit from over 50% discount on AAT membership during their AAT-ACA Fast Track studies.

To progress on to the ACA, your organisation will need to issue students with an ACA training agreement. This is a two-way formal agreement between employer and student. It outlines the support you will provide to your ACA student (eg, study leave, number of exam attempts your organisation will support etc) and it shows the commitment that your student has to make studying for, and passing the various elements of the ACA qualification. If your student has not yet registered with ICAEW as an ACA student, they must do so now in order to claim their relevant exam credits. If your organisation was already an ICAEW authorised training employer while your student was doing their AAT qualification, then your student can also apply for up to 12 months credit for prior work experience. If your organisation was not authorised while your AAT students were completing their AAT qualification, then they will not be able to count any of the work experience they gained during AAT towards the work experience requirements of the ACA qualification.

You can talk through the AAT-ACA Fast Track programme and how to register your student at [+44 \(0\)1908 248 038](tel:+44201908248038) or email us at [training@icaew.com](mailto:training@icaew.com)

During this year your students will need to:

- sit the remaining Professional Stage knowledge modules (computer-based assessments);
- sit the ACA Financial Accounting Top-Up paper (if eligible);
- sit the Professional Stage application modules;
- start their ACA technical work experience requirements (TWE);
- start their initial professional development (IPD); and
- start to work through the online ethics training programme (STE).

## YEAR 4

### ACA Advanced Stage

In the final year of training, your students will sit the Advanced Stage modules. There are two technical integration papers and a Case Study. All exams will test students across the syllabus and require them to demonstrate their technical skills and professional judgement.

The Case Study is the final ACA exam to be taken. It tests knowledge and professional skills from across the syllabus. It is set in the context of a specific business issue and requires the interpretation of financial and non-financial data. It relates to how students will be expected to work.

Once your students have passed their exams and all the other required elements of the ACA qualification, they are ready to become an ICAEW member.

# NEXT STEPS

“ We choose to train chartered accountants because the depth of the exam syllabus leading to the ICAEW qualification is structured to complement their practical training, developing effective business advisors assisting clients to meet their needs.

**Terri Smith, Qualified person responsible for training, Bird Luckin, Chelmsford**

“ By offering ACA training we have been able to attract excellent individuals who, because of the qualification, have been able to offer a top class service to our clients. ACA training is key to the development of our students and therefore also key to the development of the firm.

**Julie Piper, Partner, Arram Berlyn Gardner, London**

“ Changes in the ACA syllabus and the method of learning now give us the opportunity to offer ACA training to two of our existing staff – our AAT qualified staff.

**Jonathan Staples, Training partner, Horsefield-Smith, Bury**

For more details on the AAT-ACA Fast Track please contact  
**+44 (0)1908 248 038**  
or [training@icaew.com](mailto:training@icaew.com)





The Association of Accounting Technicians (AAT) offers a range of courses and vocational qualifications for those wishing to work in finance and accounting. ICAEW works in partnership with the AAT to enable individuals to study for the ACA qualification after completing AAT.

ICAEW is a professional membership organisation, supporting over 136,000 chartered accountants around the world. Through our technical knowledge, skills and expertise, we provide insight and leadership to the global accountancy and finance profession.

Our members provide financial knowledge and guidance based on the highest professional, technical and ethical standards. We develop and support individuals, organisations and communities to help them achieve long-term, sustainable economic value.

**Because of us, people can do business with confidence.**

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