



POLICIES RELATING TO THE ACCREDITATION AND RE-ACCREDITATION OF TRAINING OFFICES

**THIS DOCUMENT MUST BE READ IN CONJUNCTION WITH THE PAAB TRAINING
REGULATIONS**

1. INTRODUCTION

1.1. Definitions

“accreditation criteria” mean a set of requirements with which an organisation has to comply before it can be accredited or re-accredited as a training office;

“ACCA” means The Association of Chartered Certified Accountants;

“ANA” means an Assessment Needs Analysis and refers to a form used as part of the assessment process to record a trainee accountant’s cumulative competence to date; analyse his developmental needs; and provide developmental and support plans on how these developmental needs will be addressed during the next evaluation period;

“Professional Accountant and Auditor” means a registered Accountant and auditor who is registered as such with PAAB;

“core experience hours” refers to all time spent by a trainee accountant on work or activities related to the prescribed compulsory, elective and residual competencies and excludes academic studies;

“EDCOM” means Education Committee of PAAB;

“elective, residual and compulsory competencies” mean the competencies prescribed by PAAB in terms of the PAAB Training Programme;

“employment contract” means a contract or letter signed by the training office and acknowledged by the trainee accountant, which deals with the conditions of employment of the trainee accountant as provided for in the Republic of Namibia Labour Act, 2007 and any other applicable legislation;

“ICAN” means The Institute of Chartered Accountants of Namibia;

“ordinarily resident” means where the person has his usual or principal residence

“pre-accreditation visit” is a site visit conducted to a prospective training office to establish the extent to which the training office meets the PAAB accreditation criteria as set out in Annexure 2 of the Training Regulations;

“professional body” means a body of, or representing accountants or auditors or both accountants and auditors, accredited by the Board in terms of the PAA Act.

“PSR” means Professional Skills Review and refers to a form used as part of the assessment process to document and review the competence demonstrated by the trainee accountant in the prescribed professional competencies;

“re-accreditation visit” means a routine site visit to a training office to establish the extent to which the training office meets the PAAB accreditation criteria, as set out in Annexure 2 of the Training Regulations;

“registered assessor” means a professional Accountant and Auditor who has met the requirements as determined by PAAB for registration as an assessor. A training office is required to maintain a minimum ratio of one assessor for every 15 trainee accountants;

“RA” means a registered auditor and refers to an individual or firm registered as an auditor with the PAAB;

“PAAB” means, The Public Accounting and Auditors Board and includes its Committees and Subcommittees;

“TSR” means a Technical Skills Review and refers to a form used as part of the assessment process to document and review the competence demonstrated by the trainee accountant in the relevant technical competencies prescribed by PAAB;

“trainee accountant” means a person who is employed by a training office and who is serving under a PAAB training contract;

“training contract” means a written contract, entered into on the prescribed form and registered by PAAB, whereby a trainee accountant is duly bound to serve a training office for a specified period and is entitled to receive

experience in the prescribed competencies, and which meets the requirements for a learnership agreement;

“training office” means an organisation, accredited by PAAB in terms of the criteria set out in Annexure 2 of the Training Regulations, whether within or outside the borders of Namibia, and refers to an organisation in commerce and industry or public practice or the public sector that is approved by and registered with PAAB as an organisation where prospective professional Accountants and Auditors may be trained;

“training officer” means a person who is a member of PAAB and who is responsible for performing the functions and duties ascribed to a training officer in terms of these Regulations;

“training requirements” means the compulsory, elective and residual competencies prescribed for the PAAB training programme; and

2. THE PAAB TRAINING PROGRAMME

2.1. In order to ensure that the PAAB qualification retains its status and credibility, PAAB has to fulfil the following responsibilities in relation to the PAAB Training Programme:

- Ensure that prospective PAAB members in Namibia receive a well-rounded training;
- Ensure that the required competence is obtained through the application of theoretical knowledge to practical skills under the direction and supervision of experienced, qualified members; and
- Ensure that prospective PAAB members have an appreciation of the contemporary business environment and are equipped with the skills required to perform a wide variety of roles and activities.

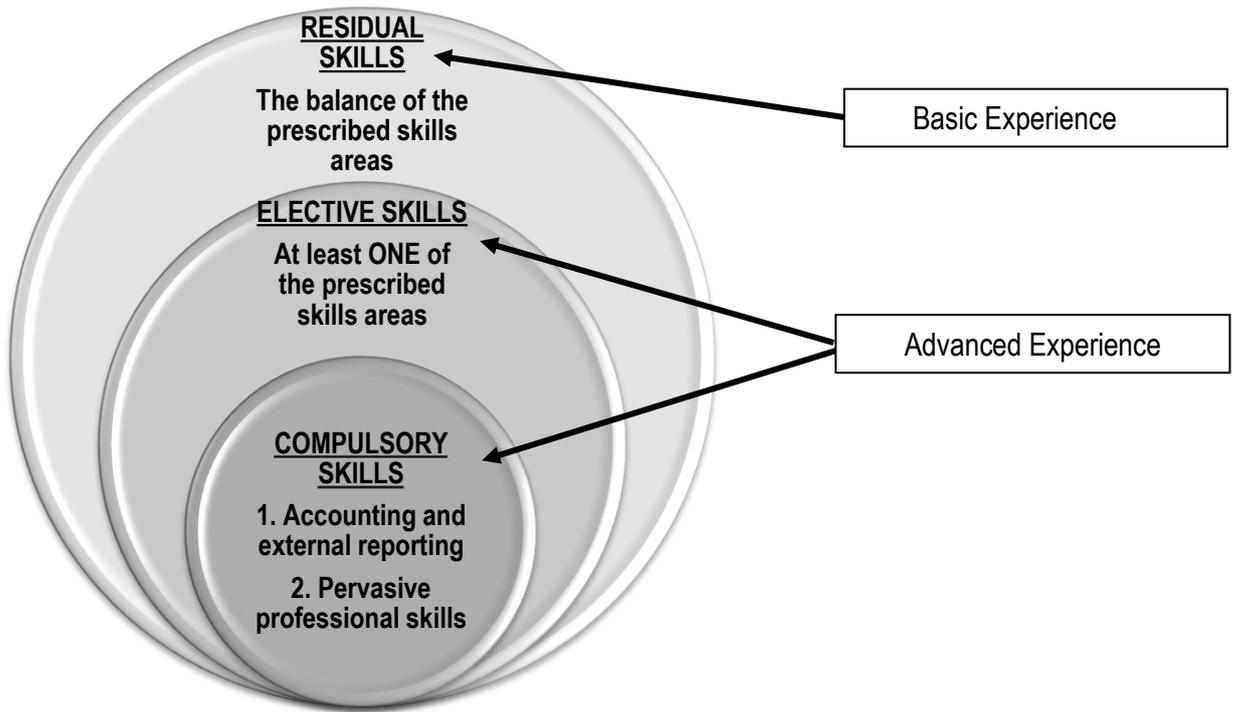
2.2. The PAAB training programme is essential to the maintenance of the status of the PAAB qualifications because it -

- provides trainees with an opportunity to integrate and apply their theoretical (academic) knowledge in a practical, real-life environment, and
- creates a platform for trainees to develop a base of technical and professional skills, from which they can build the professional development required for their future careers as professional accountants and auditors.

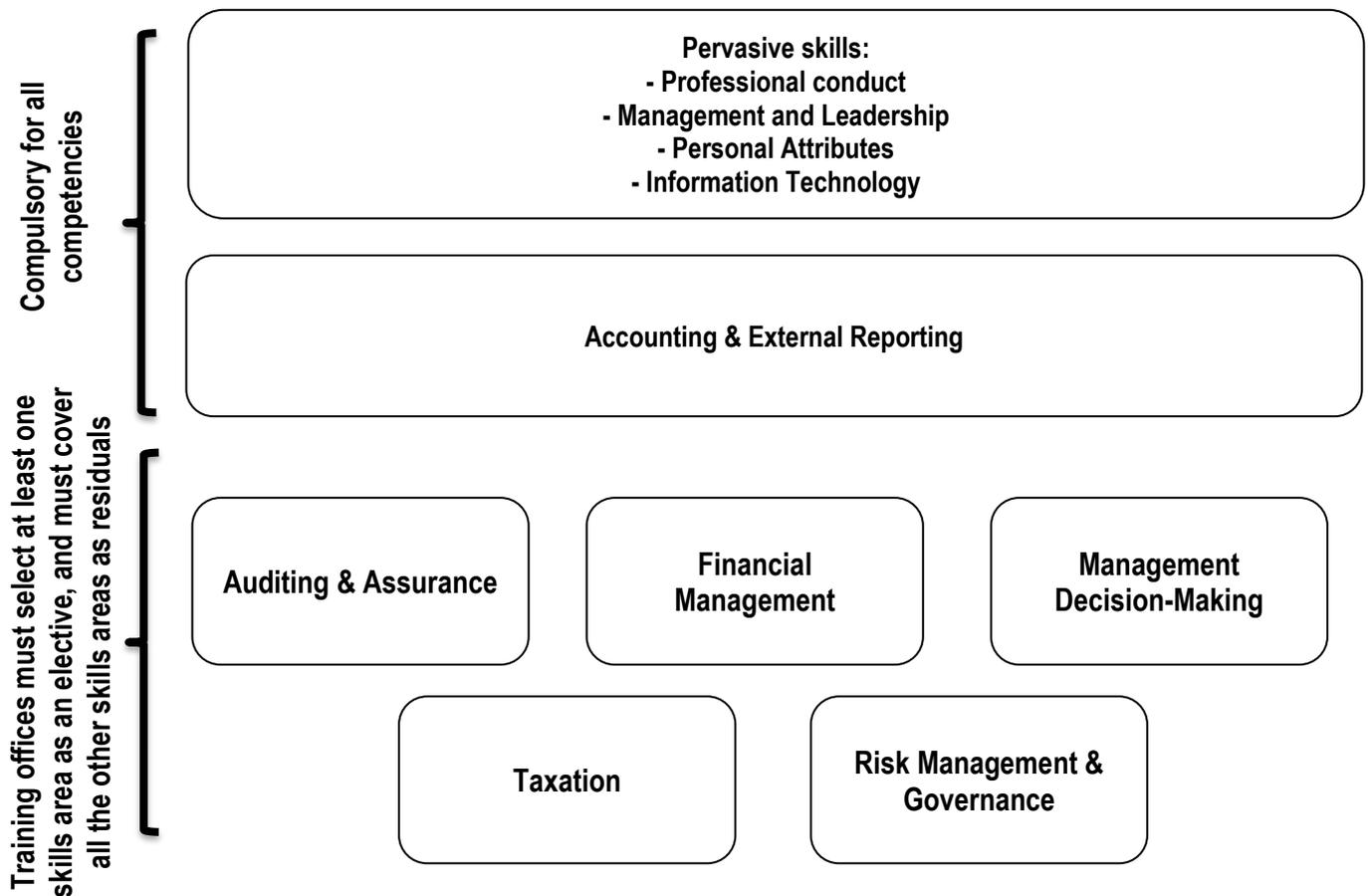
2.3. The training programme is characterised by the following features:

- The training programme is rigorous and allow for the selection of people with high intellectual ability and the ability to apply themselves;
- The training programme includes an increased focus on professional values, ethics and business acumen.
- Irrespective of whether the trainee completes his training in public practice, commerce and industry or the public sector, he must gain exposure and achieve competence in all the skills areas listed below. However, the range and depth of his exposure will be determined by the nature, industry and business model of the training office.

2.4. Structure of the training programme



2.5. Content of the training programme



2.6. Main features of the training programme:

The main features of the training programme are as follows:

- Flexibility to allow for areas of focus in the training programme
- Flexibility to allow for broad exposure to a variety of areas
- Emphasis on the professional skills and accounting and external reporting

All trainees are required to gain exposure and achieve competence in all the skills areas, but to varying degrees of complexity. The depth and breadth of a trainee's exposure will be determined by the nature, industry and business model of the training office.

In order to accommodate the unique circumstances of each training office, whether in public practice, commerce and industry or the public sector, a training office is able to structure its training programme to meet its needs, within the following parameters.

In line with the principle of a competence-based training programme, there are no minimum time prescriptions for any of the skills areas.

3. PAAB'S APPROACH TO ACCREDITATION

3.1. The role of training and experience

In the context of the PAAB training programme, training is defined as including workplace-based activities for developing an individual's competence to perform tasks relevant to the role of a professional Accountant and Auditor.

Training may be undertaken while performing actual tasks (on-the-job training) or indirectly through instruction or workplace simulation (off-the-job training). In both cases training is conducted within the context of the workplace, with reference to the specific roles or tasks performed by a professional accountant and auditor. As such, it can include any activity purposefully designed to improve the ability of an individual to fulfil the practical experience requirements for qualification as a chartered accountant.

Workplace training and experience must complement the formal education programme and should form a basis for career development.

It is in the interests of all concerned — the trainee, the training officer and the profession — that the period of training should be used effectively, with the trainee gaining range and depth of experience at progressive levels of responsibility.

A requirement for a successful workplace training and experience programme is therefore that it must provide practical experience and training that complement the education programme through the integrated application of the prescribed technical body of knowledge, skills and professional values.

3.2. Accreditation as a training office

The main objective of accrediting a training office is to allow that office to train prospective PAAB members.

EDCOM will consider and determine –

- whether or not to accredit an organisation that has applied for accreditation;
- the accreditation status, that is the duration of the accreditation of the training office;
- the accreditation allocation, that is, the number of trainee accountants that may be engaged in a training office at any given time;
- the elective(s) that the training office may offer;

- whether or not to increase the number of trainee accountants if so requested by a training office on the prescribed form.

IN ORDER TO BE ACCREDITED, THE TRAINING OFFICE MUST –

- **FULFIL THE CRITERIA FOR ACCREDITATION AS PRESCRIBED BY EDCOM FROM TIME TO TIME;**
- **APPLY SEPARATELY FOR ACCREDITATION FOR EACH ELECTIVE THAT THE TRAINING OFFICE WOULD LIKE TO OFFER; AND**
- **COMPLY WITH ALL THE PROVISIONS OF THE TRAINING REGULATIONS RELATING TO ACCREDITATION.**

The accreditation of a training office is valid for a specific period based on the rating achieved when accredited for the first time or during the most recent re-accreditation visit, and continued accreditation is dependent on the office demonstrating, to EDCOM's satisfaction, through a process of re-accreditation site visits, that it continues to meet the accreditation criteria.

The most important criterion for accreditation is the ability to deliver the appropriate range, depth and quality of training and experience. No organisation will be excluded from accreditation solely on the grounds of size or sector.

A training office (whether prospective or currently accredited) must demonstrate a commitment to provide training for prospective PAAB members and should provide adequate training structures/facilities.

Features of a suitable environment will include —

- A setting that is clearly conducive to the training of professional Accountants and Auditors.
- A clearly defined policy for keeping staff up to date with developments in the profession (e.g. a commitment to continuing professional development);
- Professional Accountants and Auditors who are capable and willing to act as assessors and/or training officers;

In order to become or to remain accredited, an organisation must demonstrate an ability to provide trainees with -

- training and experience relating to the prescribed competencies;
- non-repetitive experience of increasing range (variety) and depth (complexity);
- an opportunity to acquire an understanding of the ethical dimension of the profession;
- continuing quality monitoring and supervision, especially adequate time for on-the-job training;
- regular monitoring of their practical experience, including procedures to ensure the effective assessment of each trainee's competence; and
- appropriate non-financial support to encourage academic progress.

Accreditation of a training office is not an assurance that it is achieving the required standard of delivery of the training programme. Instead, by accrediting a training office, PAAB confirms that the organisation, for the period of accreditation, has put in place the appropriate resources and structures that, if utilised effectively, should enable it to deliver the workplace training and experience programme at the standards and levels of quality as prescribed by PAAB.

The accreditation process is a partnership between the training office and PAAB, and as such requires effective cooperation between the office and PAAB. The quality of the experience and training offered by the organisation (i.e. the extent to which it meets PAAB's standards) is, however, the sole responsibility of the organisation. PAAB's responsibility is to monitor the extent to which the training office meets PAAB's standards, and to issue a conclusion in this regard.

4. PROCEDURES FOR THE ACCREDITATION AND MONITORING OF PAAB TRAINING OFFICES

4.1. Principles

Effectiveness

- Ensure accreditation criteria can be complied with and are enforced
- Provide comprehensive and constructive feedback to training officers, acknowledging areas of best practice
- Aim for greatest level of compliance without excessive enforcement procedures
- Ensure appropriate communication of findings and learning points to improve overall compliance

Proportionality

- Regulate in a proportionate way based on levels of risk
- Develop regulations considering the burden of and penalties for compliance

Fairness

- Ensure all regulatory procedures are fair

Consistency

- Consistency in monitoring and disciplinary procedures and action

Transparency

- Ensure regulatory procedures and processes are documented clearly and policies are publicly available

Accountability

- Ensure accreditation decisions can be justified

4.2. Types of re-accreditation interventions

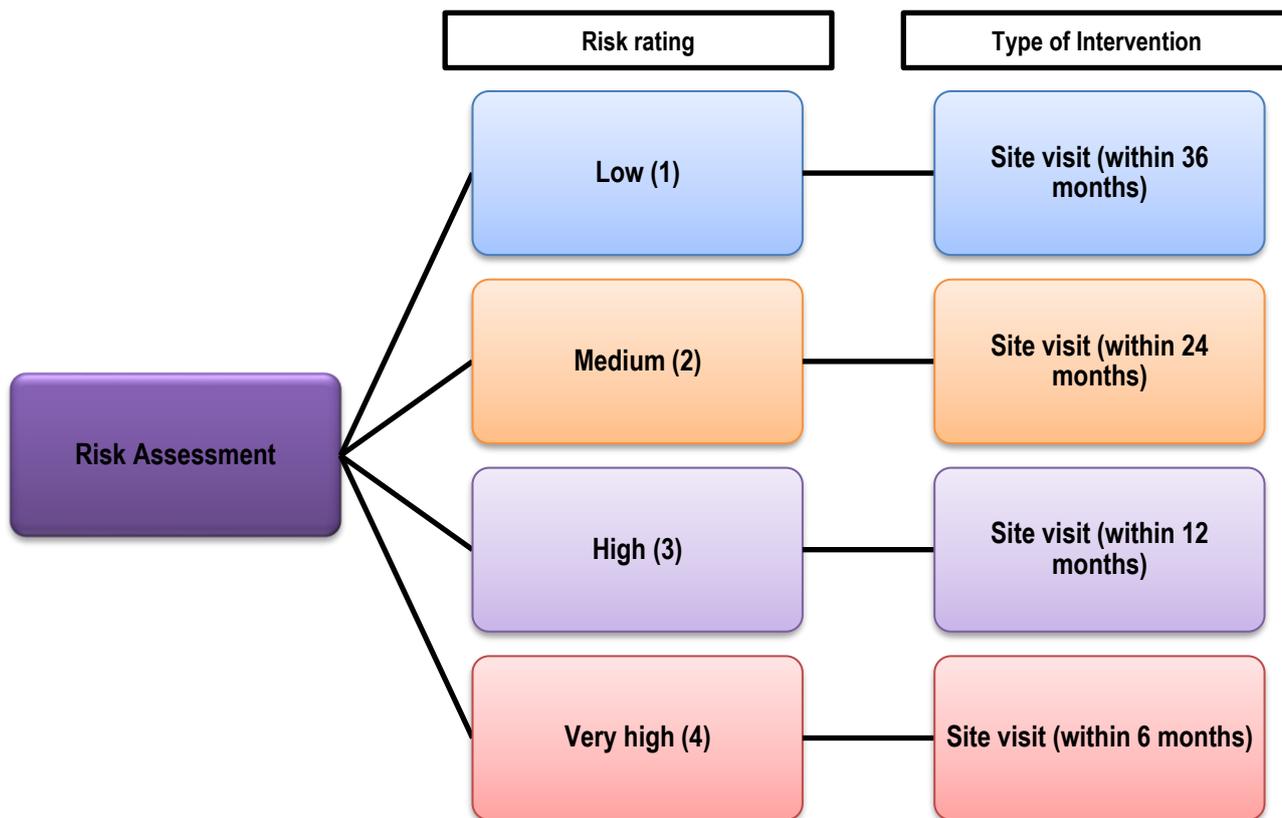
The types of re-accreditation interventions applicable to training offices will be determined by the risk rating assigned by PAAB to the training office.

The risk rating will be assigned based on the following factors

- Latest intervention rating;
- Number of and reasons for training contract cancellations in last period;
- Number of and reasons for training contract extensions in last period;
- Number and nature of any trainee accountant complaints received in the last period;
- Response rate to trainee questionnaire;
- Responses to trainee questionnaires;
- Any other information that PAAB is aware of that suggests that the training programme is not meeting the accreditation criteria.

A change in a training officer may trigger a full site visit within 12 months from the date of the change.

The risk ratings and type of re-accreditation interventions associated with the ratings are graphically illustrated below:



4.3. Rating scales and accreditation periods

RATING SCALE	ACCREDITATION PERIOD
1 (meets the requirements)	36 months
2 (does not meet a number of requirements)	24 months
3 (does not meet a significant number of requirements OR does not meet a number of significant requirements)	<ul style="list-style-type: none">• For initial application for accreditation - not accredited• For re-accreditation visits accreditation for 12 months
4 (does not meet the requirements)	<ul style="list-style-type: none">• For initial application for accreditation - not accredited• For re-accreditation visits accreditation for 6 months

Note: In the case of rating 4: Only one follow-up visit to be conducted, then de-accreditation if rating of 1, 2 or 3 still not achieved

De-accreditation

Possible grounds for de-accreditation:

- Achievement of an overall rating of “4” in two successive re-accreditation visits;
- Failure to participate in re-accreditation activities (refusal or failure to confirm/receive visits);
- Failure to comply with training regulations; and
- Failure to pay training office and training contract-related fees.

All de-accreditation decisions are taken by the EDCOM, on submission of motivation and supporting documents from the Secretariat.

De-accredited training offices can lodge an appeal against the de-accreditation decision with the EDCOM. If the EDCOM denies the appeal, and the de-accredited training office is aggrieved by this decision, they can appeal to PAAB. The decision by EDCOM is final and binding.

Should a previously de-accredited training office wish to participate in the PAAB training programme, the normal application process will be followed.

4.4. ACCREDITATION PROCESS

4.4.1 PRE-ACCREDITATION VISIT PROCEDURE

PAAB communicates with all training office due for accreditation in January of the each year. The training office communicate suitable timing and the pre-accreditation visit is scheduled. The pre-accreditation visit should be scheduled with **at least 1 months' notice** to give the training office sufficient time to prepare for the PAAB accreditation.

The training office provides the questionnaire and all supporting documentation at least **2 weeks** before the scheduled accreditation visit. PAAB will notify and deliver the material to the reviewer for preparation of the training office accreditation visit.

4.4.2 ACCREDITATION VISIT PROCEDURE

The training office provides all required documentation, arrange meeting with trainees and the training officer should be present during the course of the accreditation visit.

The time necessary to finalise the accreditation visit will depend on the total number of trainees registered at the training office. The estimate timing of an accreditation visit is:

- Large training office constitutes 100 and more trainees requires 8 hours;
- Medium training office constitutes 50 and 100 trainees requires 6-8 hours;
- Small training office constitutes 11 to 50 trainees requires 4-6 hours;
- Vary small training office constitutes 1- 10 trainees requires 4-6 hours,

4.4.3 POST ACCREDITATION VISIT PROCEDURE

The reviewer prepares an accreditation report and circulates the report to the training office **within 2 weeks** of the scheduled training office visit.

First review of accreditation report:

The training office reviews the accreditation report and forward comments or additional documentation **within 2 weeks** to the reviewer for finalisation of the training office report. . The training office review the report and forward comments to reviewer **within 2 weeks**.

Second review of accreditation report:

The reviewer make the required adjustments in the accreditation report and forward to the training office **within 1 weeks** for review. The training office review the report and forward comments to reviewer **within 1 weeks**. Training office review the report within **2 week**, and finalise report.

The secretariat schedule a training office review meeting with members of EDCOM **every 3 months (March 2017, June 2017, September 2017, November 2017)** to discuss and approve the accreditation report. For the selected accreditation report the reviewer will be requested to be present at the meeting to discuss the accreditation report and rating relating to the accreditation.

EDCOM discuss, amend and approve the accreditation report at the EDCOM meeting. The secretariat of PAAB or reviewer makes the necessary adjustments to the accreditation report. The final accreditation report with a letter is forwarded to the training office for final comments within **2 weeks**.

4.5 ACCREDITATION OF TRAINING OFFICES TIMELINE

PARTIES INVOLVED	ACTIVITIES	TIMING
PAAB Secretariat	PAAB Secretariat schedule accreditation of training office	January of each year or at least 1 months' notice
Training officer	Accreditation forms and documentation	2 Weeks before accreditation visit
PRE-ACCREDITATION VISIT		
Training officer Reviewer Trainees	Accreditation visit	4-8 hours
ACCREDITATION VISIT		
Reviewer	Drafting of Accreditation report	Within 2 weeks after accreditation visit
Training officer	Review and comment on Accreditation report (First review)	Within 2 weeks after receipt of report
Reviewer	Changes to Accreditation report	Within 2 weeks after receipt of comments
Training officer	Final review and comment on Accreditation report (Second review)	Within 1 weeks after receipt of report
Reviewer	Final changes to Accreditation report	Within 1 weeks after receipt of report
Reviewer EDCOM	EDCOM meeting and approval of reports	Every 3 months
PAAB Secretariat	Finalisation of report and forward to training office	Within 2 weeks after meeting
POST ACCREDITATION VISIT		

5. ACCREDITATION CRITERIA

5.1. Categories of criteria

CATEGORY A – Operating compliance
CATEGORY B – The training environment The training office must have appropriate physical, human and financial resources and procedures to provide an environment conducive to quality training and experience
CATEGORY C – The training experience and development programme The training office must offer a combination of the full spectrum of accountancy work, so that trainees can obtain training and experience relating to the prescribed competencies
CATEGORY D – Competence assessment The training office must have procedures in place to ensure regular monitoring of trainees' practical experience, including procedures to ensure effective, regular and constructive assessment of each trainee's competence

CATEGORY A – OPERATING COMPLIANCE

A1	
Criterion	The training office must be an appropriate legal entity
Indicators	N/A
Evidence	Appropriate entity registration form
A2	
Criterion	The training office must be tax compliant
Indicators	N/A
Evidence	Declaration by training officer
A3	
Criterion	The training office must have a valid Employment Equity plan, where applicable
Indicators	N/A
Evidence	Declaration by training officer
A4	
Criterion	The training office must comply with Occupational Health and Safety Regulations
Indicators	N/A
Evidence	Declaration by training officer
A5	
Criterion	The training office must be a going concern

A5	
Indicators	N/A
Evidence	Declaration by training officer

A6	
Criterion	The employment contract for trainee accountants must comply with PAAB's requirements as set out in the Training Regulations.
Indicators	<ul style="list-style-type: none"> • All trainees have received a document containing at least the following information: <ul style="list-style-type: none"> ○ Employer's and trainee's details <ul style="list-style-type: none"> • Employer's full name • Employer's address • Learner's name and • Information about the provisions of the Training Contract ○ Employment details <ul style="list-style-type: none"> • Place/s of work • Date of employment • Working hours and days of work • The date when a trainee's employment will end ○ Payment details <ul style="list-style-type: none"> • Pay or the rate and method of calculating pay • Rate for overtime • Any other cash payments • Any payments in kind and their value • Frequency of payment • Any deductions ○ Leave details <ul style="list-style-type: none"> • Any leave to which the trainee is entitled including provision for study leave ○ CTA registration and academic progress requirements if appropriate Notice/Contract period <ul style="list-style-type: none"> • Period of notice required, and • Duration of training contract • The Employment contract must be <ul style="list-style-type: none"> ○ in writing and be signed by the employer and the trainee; ○ concluded when the trainee commences employment; ○ updated if any of the details change; ○ kept by the employer for a period of three years after the termination or completion of the training contract • The trainee must be supplied with a copy of the contract of employment.
Evidence	<ol style="list-style-type: none"> 1. A copy of a signed employment contract of a PAAB trainee accountant 2. Confirmation by trainee accountants that they are in possession of such a contract (refer Trainee Questionnaire)

A7	
Criterion	The training office must comply with the Basic Conditions of Employment Act and the Labour Relations Act
Indicators	N/A
Evidence	Declaration by training officer

CATEGORY B – THE TRAINING ENVIRONMENT: The training office must have appropriate physical, human and financial resources and procedures to provide an environment conducive to quality training and experience

B1	
Criterion	The premises of the training office must be professional in appearance and functionality. The office must be adequately prepared for the review and submit complete documentation.
Indicators	Note: The list below is not exhaustive, and is for illustrative purposes only: 1. Offices and facilities: <ul style="list-style-type: none"> • Functional office furniture and equipment • Meeting rooms for clients and staff • Professional reception area 2. All documentation required for the visit is readily available at the start of the visit
Evidence	1. Observation and evaluation by the training office reviewer 2. Trainees' perception of the training office environment (based on discussions in the trainee interview and/or responses to the trainee questionnaires)

B2	
Criterion	1. The training office must have formally documented policies setting out the following: <ul style="list-style-type: none"> • The responsibilities of the training officer and the trainee accountants; • The responsibilities of staff members who supervise trainees; and • The reporting lines of trainee accountants. 2. The training office must formally communicate these policies to all trainee accountants
Indicators	Policy document exists, has been communicated to trainees and is available to trainees, e.g. on the training office intranet
Evidence	1. Policy document that sets out the policies as specified 2. Evidence that the policies were communicated to all trainees 3. Evidence that the policy documents are available to trainees 4. Confirmation by the trainee accountants that they understand the various roles and responsibilities (based on discussions in the trainee interview and/or responses to the trainee questionnaires)

B3	
Criterion	Each trainee must have a reasonable opportunity to achieve the prescribed competencies relating to IT
Indicators	Trainees have access to sufficient and appropriate information technology to enable them to meet PAAB's prescribed competencies in respect of IT.
Evidence	1. Evidence that trainees– <ul style="list-style-type: none"> • have access to a personal computer or laptop for their individual use • have regular and reasonable access to the internet to enable them to use the internet effectively as a source of information • have regular and reasonable access to a personal office e-mail account to facilitate effective communication with PAAB • are adequately trained on the use of appropriate software applications, including, where relevant, audit, financial, data processing, e-mail and spreadsheet applications 2. Trainees' confirmation of the adequacy of IT resources and access thereto (based on discussions in the trainee interview and/or responses to the trainee questionnaires)

B4	
Criterion	The training officer must be a professional Accountant and Auditor and a registered assessor
Indicators	N/A
Evidence	PAAB membership number and Registered Assessor number

B5	
Criterion	In the case of training offices offering Auditing and Assurance as an elective, the training officer must be registered with the PAAB as an RA who is performing the assurance function. In the case of other electives, the training officer must be registered with the applicable regulators (where appropriate)
Indicators	N/A
Evidence	Registration number with the applicable regulator, e.g. PAAB registration number for the Auditing and Assurance Elective

B6	
Criterion	The training officer must enjoy the full support of those charged with the governance of the organisation. There must accordingly be direct reporting lines between the training officer and executive management
Indicators	The training officer should be sufficiently senior to be able to enforce the provisions and requirements of the Training Regulations within the training office
Evidence	<ol style="list-style-type: none"> 1. Declaration on a letterhead from those charged with the governance of the organisation indicating support and allocation of resources for the training programme and the training officer 2. A high-level organogram of the executive structure of the training office, indicating the reporting lines of the training officer

B7	
Criterion	The training officer must, on behalf of the training office, accept responsibility for all the trainee accountants
Indicators	<ol style="list-style-type: none"> 1. Trainees, reviewers, evaluators and assessors involved in the training programme should have reasonable access to the training officer 2. The training officer should be involved in all aspects of the training programme and/or should have procedures in place to review work and processes
Evidence	<ol style="list-style-type: none"> 1. Confirmation by the trainee accountants that they have reasonable access to the training officer based on trainee interview and/or responses to the trainee questionnaires 2. Information on structures/procedures implemented to oversee the training programme 3. The training officer is present for the duration of the re-accreditation visit

B8	
Criterion	Each trainee must be appropriately supervised and, in the case of a training office accredited for the Auditing and Assurance elective, the number of Registered Auditors performing the audit function at a particular training office must be large enough to ensure that each trainee accountant receives sufficient individual attention to acquire the necessary skills.
Indicators	The training officer must ensure that each trainee will be supervised by appropriately experienced and qualified persons who are technically competent and who understand their responsibility towards developing the prescribed competencies of the trainees assigned to them.
Evidence	<ol style="list-style-type: none"> 1. Designations and qualifications of all the persons who will be supervising trainees and the names of the departments/business units in which these supervisors are situated 2. Information on structures/procedures that will be implemented to ensure that <ul style="list-style-type: none"> • All line managers/supervisors are adequately trained in respect of their duties relating to the training programme, including their responsibilities relating to the supervision of trainee accountants • The performance of line managers/supervisors in relation to their responsibilities towards the training programme is monitored and reviewed. 3. Confirmation by the trainee accountants that they receive adequate on-the-job supervision and guidance, on-the-job coaching and regular and timeous feedback about work performed (based on trainee interview and/or responses to the trainee questionnaires)

B9	
Criterion	The training programme must be effectively and efficiently administered
Indicators	The training office must have adequate administrative resources to ensure the efficient and effective administration of the trainees' training programme and training contracts, including the timeous lodgement of documents and fees with PAAB
Evidence	<ol style="list-style-type: none"> 1. A specific individual is tasked with this responsibility 2. The performance of this administrator in relation to his/her responsibilities towards the training programme is monitored and reviewed 3. Trainees are registered for the correct elective(s) 4. Information about the structures/procedures that are implemented to ensure that <ul style="list-style-type: none"> • The administrator understands his/her responsibilities relating to the training programme • TCMS is used correctly. • All training contract-related fees are paid timeously 4. Correct status of training contract records on TCMS

B10 - Not applicable for re-accreditation visits	
Criterion	Adequate funds must be allocated to the training programme
Indicators	The training office must allocate sufficient resources (including financial resources) for purposes of training and development and the payment of fees to PAAB and, where applicable, PAAB
Evidence	<p>The learning & development budget for the current as well as the next year, indicating that provision has been made for payment of, at least the following:</p> <ul style="list-style-type: none"> • PAAB Education Fund levies • PAAB levy (where applicable) • Training office reviews • Trainee salaries • Training courses for trainees (if applicable)

B11	
Criterion	The trainee, training officer, assessors and the training office administrator must have a working knowledge of the latest version of the PAAB Training Regulations and trainees must have access to the Training Regulations.
Indicators	<ol style="list-style-type: none"> 1. The training officer has communicated and explained the Training Regulations to trainee accountants and training office administrators 2. The training officer has ensured that the Training Regulations are readily available. 3. The Training Regulations are applied correctly in the training office, including the academic progress requirements 4. Trainees have a reasonable understanding of the Training Regulations (based on trainee interview)
Evidence	<ol style="list-style-type: none"> 1. The training officer has communicated and explained the latest version of and any changes to the Training Regulations to trainee accountants, assessors and training office administrators. 2. The training officer has ensured that the Training Regulations are readily available.

B12	
Criterion	The training officer and all registered assessors at the training office have complied with the PAAB CPD policy as at the end of the most recent three-year CPD cycle
Indicators	N/A
Evidence	Declaration by training officer

CATEGORY C – THE TRAINING EXPERIENCE AND DEVELOPMENT PROGRAMME: The training office must offer a combination of the full spectrum of accountancy work, so that trainees can obtain training and experience relating to the prescribed competencies

C1	
Criterion	Each trainee must receive a formal and suitably detailed induction programme within six months after the start date of the training contract
Indicators	All trainees receive an induction (either face-to-face or electronic) that will assist them to – <ul style="list-style-type: none"> • understand the need to develop the correct professional attitude to their traineeship; • be aware of the different roles of PAAB and professional bodies; • understand the professional Accountant and Auditor Training Programme; • understand the prescribed competencies for the professional Accountant and Auditor Training Programme; • be aware of the responsibilities of training officers for planning and monitoring the skills development of trainee accountants; • be aware of their personal responsibilities with regard to their own skills development and assessment; • understand PAAB's assessment process; and • be familiar with the PAAB Training Regulations and the Code of Professional Conduct..
Evidence	<ol style="list-style-type: none"> 1. Table of contents of induction programme 2. Attendance register of induction programme indicating that all registered trainees have received an induction 3. Evidence from trainee interview (based on discussions in the trainee interview and/or responses to the trainee questionnaires)

C2	
Criterion	Each trainee must be given a reasonable opportunity to gain the prescribed competencies
Indicators	The training office must be able to provide non-repetitive experience of the necessary range and depth in the prescribed tasks and competencies
Evidence	<ol style="list-style-type: none"> 1. Information on the processes that are followed to schedule trainees on assignments/clients 2. Confirmation by trainee accountants that they receive adequate exposure to meet the prescribed competencies (based on trainee interview and Trainee Questionnaire) 3. Evidence from the moderation of assessment that all competencies are addressed 4. Generic Training Plan (Annexure A) and/or rotation plan 5. <u>In the case of training offices where trainees gain exposure directly based on allocation to client assignments, e.g. audit firms, consulting firms:</u> Information on the client base in the format as required by PAAB

C3	
Criterion	Each trainee must have a reasonable opportunity to achieve the prescribed core experience hours over the term of the training contract (refer to the definition of core experience hours)
Indicators	Each trainee's core experience are monitored and the training office has implemented processes to address potential shortcomings.
Evidence	<ol style="list-style-type: none"> 1. Evidence that trainees' core experience hours are monitored on a regular basis; and 2. Summary of core experience hours achieved to date for each active trainee, per year of their contract.

C4	
Criterion	Practical, on-the-job experience must constitute the most significant portion of the trainee's learning experience.
Indicators	Simulations and other training interventions may not constitute more than <ul style="list-style-type: none"> • 10% of the total number of compulsory and elective tasks; and • 50% of the total number of residual tasks
Evidence	<ol style="list-style-type: none"> 1. Information on the composition of the trainees' learning experience, i.e. the percentage split between practical experience and simulations 2. Generic Training Plan (Annexure A)

C5	
Criterion	Simulations related to the prescribed tasks must result in an assessment of the trainee's competence in the tasks covered in the simulation
Indicators	Trainees are assessed on the tasks covered in the simulation, as evidenced by an assessment rating
Evidence	<ol style="list-style-type: none"> 1. A description of the simulations provided to trainees, including: <ul style="list-style-type: none"> • How many simulations each trainee will be required to complete? • Which competencies/tasks are addressed in each simulation? • The duration of the simulation (in hours), including the assessment • How the development of trainees is addressed in the simulation • How trainees are assessed during the simulation • Does the simulation result in individual feedback to each trainee? 2. An example of a simulation reflecting the simulation process from start to finish 3. Evidence that the assessment rating arising from the simulation has been recorded in a TSR and/or PSR

C6	
Criterion	The trainee must be encouraged to develop an awareness of the importance of life-long learning
Indicators	Trainees must be made aware of the importance of remaining technically competent throughout professional life and must be provided with opportunities to remain up to date
Evidence	Information on the steps taken by the training office in this regard, for example information on courses and technical updates attended by the trainees and information on the technical library available to trainees.

CATEGORY D – Competence assessment

The training office must have procedures in place to ensure regular monitoring of trainees' practical experience, including procedures to ensure effective, regular and constructive assessment of each trainee's competence

NOT APPLICABLE TO INITIAL APPLICATIONS FOR ACCREDITATION

D1	
Criterion	The training officer must ensure that the assessment process, as prescribed by PAAB, takes place
Indicators	The training office ensures that the processes and procedures as prescribed by PAAB take place
Evidence	<ol style="list-style-type: none"> The following assessment documents for those active and discharged trainees selected by PAAB for moderation: <ul style="list-style-type: none"> Two latest DNAs/ANAs The PRs or TSRs and PSRs included in the latest DNA/ANA Confirmation by the trainee accountants that the assessment process functions as prescribed and that development needs are addressed (based on trainee interview and Trainee Questionnaire)

D2	
Criterion	<p>The training officer must take steps to ensure that trainees, evaluators, reviewers and assessors understand–</p> <ol style="list-style-type: none"> The objectives of assessment The assessment process and documents; The prescribed competencies and tasks ; and The assessment appeals process.
Indicators	<ol style="list-style-type: none"> Policy document exists and has been communicated to trainees, evaluators, reviewers and assessors Trainees, reviewers and evaluators have received formal instruction/training on the <ul style="list-style-type: none"> Assessment policy The prescribed competencies, The assessment process and documents, and The assessment appeals process
Evidence	<ol style="list-style-type: none"> Document that sets out the organisation's assessment policy, including the assessment appeals process Evidence that the policy has been communicated to all trainees, reviewers, evaluators and assessors; Evidence that trainees, reviewers and evaluators have received formal instruction/training on the <ul style="list-style-type: none"> The prescribed professional and technical competencies and the Generic Training Plan, The assessment process and The assessment documents Confirmation by the trainee accountants that they understand the objectives of assessment and the assessment process (based on discussions in the trainee interview and/or responses to the trainee questionnaires)

D3	
Criterion	The training officer must ensure the effectiveness and fairness of the assessment process
Indicators	The training officer regularly evaluates the effectiveness, timeousness, fairness and consistency of the assessment process
Evidence	<ol style="list-style-type: none"> Documented procedures for the review and evaluation of the assessment process Evidence that the training officer regularly evaluates the effectiveness, timeousness, fairness and consistency of reviewers, evaluators and assessors

D4	
Criterion	The training office must have procedures in place to adjudicate in instances where trainees and reviewers, evaluators or assessors cannot reach agreement on a rating for a task
Indicators	Documented procedures are in place and have been communicated
Evidence	<ol style="list-style-type: none"> 1. Document that sets out the procedures to adjudicate in instances where trainees and reviewers and evaluators cannot reach agreement on the rating for a task 2. Evidence that the procedures have been communicated to all trainees.

D5	
Criterion	The training office (and, if applicable, branch offices) must have an appropriate ratio of PAAB registered assessors to trainees (minimum of 1 assessor per 15 trainees)
Indicators	The training office ensures that a ratio of 15 trainees to 1 PAAB registered assessor is maintained
Evidence	Information about the ratio of trainees to assessors (Note: A single assessor may not be responsible for more than 15 trainees)

MODERATION REPORT

D1.1
Technical Skills Review / Professional Skills Review Forms

1. Do the trainees initiate and complete at least one TSR during every two months?
2. Do the trainees make at least one entry in the PSR during every two months?
3. Do the trainees document specific and detailed examples of professional skills capabilities in the PSR?
4. Do the trainees complete all sections of the TSR with due care, including: <ul style="list-style-type: none"> • Are all the tasks addressed in the period included in the form? • Is the cover page completed in full? • Is the correct rating scale used? • Has the assignment been identified?
5. Do reviewers complete the TSRs/PSRs timeously after the trainees have completed the form? (The training regulations suggests that the forms be reviewed within three weeks.)
6. Do reviewers document developmental comments in the case of rating differences between them and the trainee, and are these developmental comments communicated to the trainee?
7. Do the trainees sign off and date the TSRs/PSRs timeously to indicate final agreement with the form?

D1.2
Assessment Needs Analysis Forms

1. Are the ANAs initiated every six months?
2. Do trainees complete all sections of the ANA with due care, including: <ul style="list-style-type: none"> • Are the full list of competencies and tasks included in the form? • Are opening ratings correctly transferred? • Are ratings from the TSRs/PRs carried forward correctly? • Are major assignments for the next six months documented? • Have the trainees documented their academic progress accurately? • Have the trainees documented all the relevant information pertaining to training courses/simulations they have attended?

- | |
|---|
| <p>3. Do evaluators complete all relevant sections of the ANA with due care, including:</p> <ul style="list-style-type: none">• Have they correctly determined an overall rating of competence for each task? (i.e. the relevant full list is reflected and considered)• Have they correctly indicated whether or not development is required for each task?• Have they commented on the developmental plan for the previous period?• Have they prepared a developmental plan for the next period? |
| <p>4. Do the trainees and evaluators discuss and sign off the ANAs within four weeks from the end of the period under review?</p> |
| <p>5. Do assessors complete all relevant sections of the ANA with due care, including:</p> <ul style="list-style-type: none">• Have they performed a summative assessment every six months for each of the prescribed tasks (determining whether or not trainees have met the final competence requirements)?• Have they signed and dated the form within six weeks from the end of each six-month period to certify to:<ul style="list-style-type: none">○ The integrity of the carry-forward ratings from the previous ANA?○ The overall ratings as reflected in section 1 of the ANA?○ The adequacy of the development plan?○ The credibility of the assessment process? |

6. The prescribed competencies

Effective 1 January 2016 and applicable to all trainees whose training contracts have an end date after 30 April 2017

Explanation of some of the verbs used in the competencies and tasks:

“evaluates” means to analyse and form a critical opinion and then to document this opinion

“calculates” means to calculate and document

“performs” means to perform and document

“recommends” means to make recommendations in writing

“identifies” means to identify and document

Interpretation of tasks:

Lists provided by way of example (indicated by **“for example”**) are not prescriptive. The tasks performed by a trainee to demonstrate competence in the prescribed competency may include some, all or none of the examples provided.

Lists prefaced by “including” are prescriptive and inclusive.

COMPULSORY SKILLS

ACCOUNTING AND EXTERNAL REPORTING

Trainees are required to perform the prescribed tasks to a level 4 proficiency, i.e. they should be capable of performing the task with no intervention

Competencies		Tasks	
AE(C)1	Evaluates appropriate accounting frameworks and policies	AE(C)1.1	Based on the entity's financial reporting needs and the stakeholders identified, evaluates the appropriateness of the accounting framework
		AE(C)1.2	Evaluates accounting policies in accordance with the appropriate accounting framework
AE(C)2	Evaluates or accounts for the entity's transactions, including non-routine transactions	AE(C)2.1	Evaluates or accounts for routine transactions, for example sales, cost of sales, operating expenses, etc.
		AE(C)2.2	Evaluates or accounts for non-routine transactions, for example accounting estimates, transactions requiring judgement, business acquisitions, disposals of assets or groups of assets, discontinued operations, deferred tax, etc.
		AE(C)2.3	Prepares or evaluates reconciliations of financial information, for example bank reconciliations, accounts payable reconciliation, general ledger control account reconciliations, reconciliations between management accounts and the general ledger, etc.
AE(C)3	Prepares or evaluates financial statements and accompanying notes	AE(C)3.1	Prepares or evaluates financial statements in accordance with the identified accounting framework
		AE(C)3.2	Prepares or evaluates notes to the financial statements in accordance with the identified accounting frameworks
		AE(C)3.3	Prepares or evaluates the non-financial information in the annual financial statements, for example Directors' Report, Corporate Governance Report, Sustainability Report, Integrated Report, etc.
AE(C)4	Interprets financial statements	AE(C)4.1	Calculates performance, efficiency (activity), solvency and liquidity ratios from the financial statements
		AE(C)4.2	Based on the ratios calculated in AE(C)4.1, evaluates the performance, efficiency (activity), solvency and liquidity ratios from the financial statements

PROFESSIONAL CONDUCT

Trainees are required to provide examples of how they have demonstrated the competency and must be assessed on whether or not they have demonstrated the principles of professional conduct – *Please take note of the revised approach to the assessment of business ethics*

Competencies		Tasks	
PC(C)1	Acts ethically and in accordance with the rules of professional conduct	Integrity	
		PC(C)1	Being straightforward and honest in all business and professional relationships
		PC(C)2	Identifies and adequately responds to potential ethical dilemmas
		Due care	
		PC(C)3	Carries out work with due care
		Objectivity	
		PC(C)4	Not allowing bias, conflict of interest or undue influence of others to override professional or business judgement
		Confidentiality	
		PC(C)5	Respects and protects the confidentiality of information
		Professional behaviour	
PC(C)6	Maintains and enhances the profession's reputation		

MANAGEMENT AND LEADERSHIP

Trainees are required to perform the prescribed tasks to a level 4 proficiency, i.e. they should be capable of performing the task with no intervention

Competency		Tasks	
ML(C)	Demonstrates an ability to manage and lead	ML(C)1	Manages and supervises others effectively
		ML(C)2	Plans and manages projects
		ML(C)3	Effectively participates in meetings
		ML(C)4	Leads effective meetings
		ML(C)5	Respects deadlines, manages time and organises tasks logically
		ML(C)6	Collaborates with colleagues and/or clients from diverse backgrounds and works effectively as a team member
		ML(C)7	Resolves conflict or differences and negotiates appropriate solutions

PERSONAL ATTRIBUTES

Trainees are required to perform the prescribed tasks to a level 4 proficiency, i.e. they should be capable of performing the task with no intervention

Competency		Tasks	
PA(C)	Maintains awareness of new developments, exercises initiative and communicates effectively	PA(C)1	Identifies and evaluates critical factors in the economic, social, legislative, regulatory and political environment that impact on business and the financial decisions of an entity
		PA(C)2	Responds and adapts to change
		PA(C)3	Identifies problems and recommends appropriate solutions
		PA(C)4	Obtains required information by asking appropriate and probing questions
		PA(C)5	Communicates effectively in written format
		PA(C)6	Communicates effectively in verbal format
		PA(C)7	Takes responsibility for own development

INFORMATION TECHNOLOGY

Trainees are required to perform the prescribed tasks to a level 4 proficiency, i.e. they should be capable of performing the task with no intervention

Competency		Tasks	
IT(C)	Uses IT as a means of working more efficiently and effectively	IT(C)1	Uses IT applications, including spreadsheets, word processing, presentations and e-mail, effectively
		IT(C)2	Uses the internet effectively as a source of relevant and reliable information
		IT(C)3	Applies procedures and controls to ensure integrity and security of personal IT resources, for example password protection, backup procedures, distribution of confidential information, anti-virus measures, etc.

ELECTIVE SKILLS

AUDITING & ASSURANCE

Trainees are required to perform the prescribed tasks to a level 4 proficiency, i.e. they should be capable of performing the task with no intervention

Competencies		Tasks	
AA(E)1	Performs pre-engagement activities	AA(E)1.1	Evaluates the nature, scope, standards and legislation applicable to a particular engagement
		AA(E)1.2	Identifies the factors to be considered in accepting or continuing with an engagement
		AA(E)1.3	Drafts or evaluates an appropriate engagement letter for an engagement or outlines the appropriate content for such a letter
AA(E)2	Obtains an understanding of the entity and its environment, including internal control	AA(E)2.1	Obtains a qualitative understanding of the entity and its environment and documents this information in an appropriate format
		AA(E)2.2	Identifies and documents the major classes of transactions and balances for an engagement entity
		AA(E)2.3	Obtains an understanding of and documents the entity's internal control
AA(E)3	Evaluates the risk of material misstatement	AA(E)3.1	Evaluates the adequacy of the design of control activities in the prevention or detection of material misstatement, and suggests improvements where appropriate
		AA(E)3.2	Evaluates the risk of material misstatement at an overall financial statement level (including an evaluation of the appropriateness of the going concern assumption)
		AA(E)3.3	Evaluates the risk of material misstatement at the assertion level for classes of transactions, account balances and disclosures
		AA(E)3.4	Evaluates the risk of material misstatement due to fraud
		AA(E)3.5	Evaluates the risk of material misstatement due to non-compliance with laws and regulations
		AA(E)3.6	Identifies and evaluates the significant risks that could result in material misstatement
AA(E)4	Calculates and justifies planning materiality	AA(E)4.1	Identifies and evaluates the factors that affect planning materiality
		AA(E)4.2	Calculates a justifiable level of planning materiality for an engagement
AA(E)5	Designs or selects effective and efficient procedures	AA(E)5.1	Designs or selects appropriate tests of internal control (including IT internal controls, where appropriate), including the determination of sample sizes and methods of selection
		AA(E)5.2	Designs or selects appropriate substantive tests of detail, including the determination of sample sizes and methods of selection
		AA(E)5.3	Designs or selects appropriate substantive analytical review procedures
		AA(E)5.4	Evaluates the need for using the work of others in conducting the audit, for example experts, internal auditors or component auditors, etc.
		AA(E)5.5	Evaluates the need to use computer assisted audit techniques to gather suitable audit evidence
AA(E)6	Executes the audit plan and documents and evaluates results	AA(E)6.1	Performs the planned tests of internal control and identifies situations where follow-up/extended work is required
		AA(E)6.2	Performs the planned substantive tests of detail and identifies situations where follow-up/extended work is required
		AA(E)6.3	Performs the planned substantive analytical review procedures and identifies situations where follow-up/extended work is required
		AA(E)6.4	Evaluates whether the procedure meets the stated objective
		AA(E)6.5	Recommends modifications to the audit plan, where necessary, in response to the results of procedures performed

Competencies		Tasks	
AA(E)7	Completes the engagement	AA(E)7.1	Evaluates the impact of identified misstatements against final materiality (quantitative and/or qualitative) and evaluates the need for additional work
		AA(E)7.2	Performs a subsequent events review to identify potential adjusting subsequent events
		AA(E)7.3	Evaluates the appropriateness of the going concern assumption
		AA(E)7.4	Evaluates the management representation letter and recommends modifications, where applicable
AA(E)8	Prepares information for meetings with stakeholders	AA(E)8.1	Prepares the report to management on findings arising from the engagement
AA(E)9	Evaluates potential reportable irregularities	AA(E)9.1	Evaluates whether there are potential unlawful acts or omissions and whether or not they may constitute a reportable irregularity and, if appropriate, inform the supervisor of the potential irregularity

FINANCIAL MANAGEMENT

Trainees are required to perform the prescribed tasks to a level 4 proficiency, i.e. they should be capable of performing the task with no intervention

Competencies		Tasks	
FM(E)1	Evaluates the entity's financial situation	FM(E)1.1	Evaluates the entity's/business unit's financial position, for example, using financial analysis, ratio analysis, trend analysis and/or cash flow analysis, etc.
		FM(E)1.2	Recommends improvements to the performance of the entity/business unit, based on the analysis performed
FM(E)2	Monitors cash flow	FM(E)2.1	Prepares or evaluates a cash flow forecast for an entity/business unit
		FM(E)2.2	Identifies when there may be a cash shortfall and recommends possible action plans
FM(E)3	Evaluates the entity's working capital	FM(E)3.1	Evaluates the entity's/business unit's current working capital position or components of it, for example, inventory, accounts receivable or payable management, etc. and, where required, recommends improvements
FM(E)4	Identifies and evaluates sources of funds	FM(E)4.1	Evaluates an entity's/business unit's funding needs
		FM(E)4.2	Evaluates sources of funding to meet the entity's/business unit's funding needs
		FM(E)4.3	Evaluates the need for the use of financial instruments in managing an entity's/business unit's funding needs
FM(E)5	Evaluates business plans, financial proposals or growth strategies	FM(E)5.1	Evaluates a business plan or financial proposal
		FM(E)5.2	Evaluates the appropriateness and impact of the growth strategies formulated and adopted by the entity
FM(E)6	Evaluates capital investment decisions	FM(E)6.1	Evaluates the opportunities, risks and financial implications associated with the replacement or acquisition of a capital asset
		FM(E)6.2	Evaluates financial implications of investment decisions using the appropriate capital budgeting techniques
		FM(E)6.3	Evaluates or makes recommendations on the replacement or acquisition of a capital asset
FM(E)7	Values a business or business units or components of a business	FM(E)7.1	Calculates a reasonable range of values for a business or business units or components of the business, using different valuation techniques
		FM(E)7.2	Identifies the critical assumptions and facts that underlie the valuation estimate, including factors affecting the accuracy of the valuation
		FM(E)7.3	Performs a sensitivity analysis on the assumptions used in the valuation model in order to obtain a reasonable range of possible values

MANAGEMENT DECISION-MAKING AND CONTROL

Trainees are required to perform the prescribed tasks to a level 4 proficiency, i.e. they should be capable of performing the task with no intervention

Competencies		Tasks	
MD(E)1	Identifies and evaluates the entity's/business unit's key performance indicators	MD(E)1.1	Identifies the financial and non-financial performance indicators that are key to the entity/business unit, including any industry-specific benchmarks
		MD(E)1.2	Evaluates performance measurement methods for key performance indicators.
MD(E)2	Evaluates the design of the entity's responsibility accounting system	MD(E)2.1	Evaluates the key components of the management accounting system of an entity/business unit, including the financial and non-financial reports produced
MD(E)3	Prepares budgets and performs sensitivity analyses	MD(E)3.1	Prepares a budget for an entity/business unit, with clearly documented assumptions
		MD(E)3.2	Performs sensitivity analysis on prepared budgets, varying key assumptions to document a range of possible outcomes
MD(E)4	Analyses and interprets budget variances	MD(E)4.1	Evaluates the actual performance against budget, and investigates and documents reasons for variances
		MD(E)4.2	Makes recommendations to address variances
MD(E)5	Evaluates the applicability of cost management techniques	MD(E)5.1	Evaluates the methods used for allocation of costs in the entity/business unit
		MD(E)5.2	Makes recommendations for improved cost control and cost efficiency
		MD(E)5.3	Evaluates cost allocation options within or across divisions within the entity/business unit, for example the appropriate application of transfer pricing.
MD(E)6	Evaluates relevant information with application to business decisions	MD(E)6.1	Evaluates and makes practical use of financial information that is relevant to pricing decisions, capacity utilisation and the implications of the existence of constraints

TAXATION

Trainees are required to perform the prescribed tasks to a level 4 proficiency, i.e. they should be capable of performing the task with no intervention

Competencies		Tasks	
TX(E)1	Evaluates tax payers' tax profile	TX(E)1.1	Identifies the information required for the analysis of an entity's tax profile, for example the form of the entity, taxpayer's residency and liability for tax, exposure to taxation associated with various forms of income and organisational structure, etc.
		TX(E)1.2	Evaluates the tax implications of different taxpayers' structures for example cash salary vs. fringe benefits, shares, loans or dividends, trusts, partners, companies, etc.
TX(E)2	Calculates or evaluates income tax payable and prepares or evaluates income tax returns for individuals	TX(E)2.1	Calculates or evaluates the income tax payable for an individual, considering: <ul style="list-style-type: none"> inclusion and classification of income from different sources, for example, employment including fringe benefits and lump sum benefits, property, business, capital gain/loss, other income, etc. exclusion of exempt income deductibility of expenses, for example, contributions to pension or retirement funds, income protection policies, assets used for trade purposes, legal fees and study at home, etc.
		TX(E)2.2	Prepares or evaluates income tax returns
		TX(E)2.3	Identifies when capital gains tax (CGT) is applicable and calculates or reviews the CGT payable on qualifying transactions
TX(E)3	Calculates or evaluates income tax payable and prepares or evaluates income tax returns for legal entities	TX(E)3.1	Calculates or evaluates the income tax payable for a legal entity, considering: <ul style="list-style-type: none"> type of legal entity, for example, private, public, small business corporation, foreign, trusts, etc. inclusion and classification of income, for example, active business income, income from property, capital gains, exemptions, etc. deductibility of expenses, for example, capital allowances, assessed losses and special allowances, etc. tax deductions and credits, for example, small business deduction, general tax reduction, etc.
		TX(E)3.2	Prepares or evaluates income tax returns
		TX(E)3.3	Identifies when capital gains tax (CGT) is applicable and calculates or reviews the CGT payable on qualifying transactions
TX(E)4	Calculates other taxes payable and prepares or evaluates appropriate returns	TX(E)4.1	Calculates or evaluates withholding tax for example interest or dividend withholding tax
		TX(E)4.2	Identifies when indirect taxes, for example VAT or customs duty, are applicable and calculates or evaluates the indirect tax payable
		TX(E)4.3	Prepares or evaluates indirect tax returns
		TX(E)4.4	Prepares or evaluates provisional tax and employees tax (PAYE, SDL and UIF) returns
TX(E)5	Makes recommendations on specific tax transactions	TX(E)5.1	Makes recommendations concerning tax transactions, taking into consideration applicable legislation, including, but not limited to, anti-avoidance legislation
TX(E)6	Prepares or evaluates information to respond to assessments, file objections and appeals	TX(E)6.1	Evaluates the content of assessments and reassessments
		TX(E)6.2	Prepares or evaluates supporting documentation required to initiate an appeal or file a notice of objection

RISK MANAGEMENT & GOVERNANCE

Trainees are required to perform the prescribed tasks to a level 4 proficiency, i.e. they should be capable of performing the task with no intervention

Competencies		Tasks	
RM(E)1	Identifies and evaluates the risks pertaining to the financial information system	RM(E)1.1	Identifies strategic, operational, financial, regulatory and information system risks, based on an understanding of the environment in which the entity/audit engagement operates, its strategies and management processes
		RM(E)1.2	Evaluates the business processes which are susceptible to fraud and, where necessary, document the systems introduced by the business to mitigate the risk
RM(E)2	Evaluates the key internal controls (including IT related controls) implemented in an entity	RM(E)2.1	Evaluates the entity's key business processes, including the procurement processes, and identifies general and application controls, both manual and IT, within these business processes
RM(E)3	Evaluates internal control	RM(E)3.1	Selects suitable criteria or a recognised framework for control evaluation
		RM(E)3.2	Evaluates the design adequacy of internal control, including application and general controls within the IT environment in the context of the criteria/recognised framework
RM(E)4	Conducts planning and fieldwork within the scope of internal audit policies	RM(E)4.1	Designs an appropriate audit programme
		RM(E)4.2	Performs appropriate fieldwork in accordance with the audit programme
		RM(E)4.3	Applies sampling techniques in accordance with the audit programme
		RM(E)4.4	Analyses test results to determine if additional work is required, or if no further testing is necessary, to conclude on the effectiveness of the control environment
RM(E)5	Documents the results of internal audit procedures performed	RM(E)5.1	Creates internal audit documentation that provides a clear link to significant findings or issues that arose during the engagement, and that contains sufficient information to support the nature, timing and extent of procedures performed and the results of those procedures
RM(E)6	Evaluates evidence, draws conclusions and issues appropriate reports	RM(E)6.1	Evaluates the sufficiency and significance of the evidence and/or results of analysis
		RM(E)6.2	Identifies and evaluates inconsistencies, unexpected circumstances or findings, or findings that indicate possible fraud, error or illegal acts
		RM(E)6.3	Evaluates the reasonableness of the conclusions on the subject matter, based on the outcome of internal audit procedures
		RM(E)6.4	Assists in the preparation of the final report with recommendations, management responses and an action plan
RM(E)7	Assists in the evaluation of an entity's plans for risk management	RM(E)7.1	Recommends methods to manage risk, for example choosing not to undertake certain types of activities or transferring risk to third parties through insurance, hedging, outsourcing, etc. or mitigating risks through preventative and detective control procedures
RM(E)8	Conducts governance reviews in accordance with appropriate governance standards	RM(E)8.1	Evaluates the components of the entity's/audit engagement's governance structure and its role, for example board of directors, audit committee, etc.
		RM(E)8.2	Evaluates the corporate governance practices of an entity/audit engagement in relation to relevant legislation and practices, documenting recommendations for improvement
		RM(E)8.3	Evaluates the disclosure of corporate governance for an entity/audit engagement

RESIDUAL SKILLS

AUDITING & ASSURANCE

Trainees are required to perform the prescribed tasks to a level 4 proficiency, i.e. they should be capable of performing the task with no intervention

Competencies		Tasks	
AA(R)1	Demonstrates a basic appreciation and awareness of the practical considerations of the external audit function	AA(R)1.1	Evaluates the scope and the appropriateness of the terms of engagement, including the responsibilities of management and the responsibilities of the auditors
		AA(R)1.2	Evaluates the impact of identified misstatements on the financial statements in the context of materiality
		AA(R)1.3	Evaluates the appropriateness of the management representation letter
AA(R)2	Prepares information requested by the external auditors	AA(R)2.1	Prepares information for, or responds to requests by, the external auditors
AA(R)3	Communicates with external audit	AA(R)3.1	Communicates effectively with external audit stakeholders, for example identifying issues regarding the audit strategy, describing internal controls and financial systems used, any material issues identified during the course of the audit, etc.

FINANCIAL MANAGEMENT

Trainees are required to perform the prescribed tasks to a level 4 proficiency, i.e. they should be capable of performing the task with no intervention

Competencies		Tasks	
FM(R)1	Evaluates the entity's financial situation	FM(R)1.1	Evaluates the entity's/business unit's/engagement client's financial position, for example using financial analysis, ratio analysis, trend analysis and/or cash flow analysis, etc.
FM(R)2	Monitors cash flow	FM(R)2.1	Prepares or evaluates a cash flow forecast for an entity/business unit/engagement client
		FM(R)2.2	Identifies when there may be a cash shortfall and recommends possible action plans
FM(R)3	Evaluates the entity's working capital	FM(R)3.1	Evaluates the entity's/business unit's current working capital position or components of it, for example, inventory, accounts receivable or payable management, etc. and, where required, recommends improvements
FM(R)4	Evaluates capital investment decisions	FM(R)4.1	Evaluates the financial implications of investment decisions using the appropriate capital budgeting techniques
FM(R)5	Values a business or business units or components of a business	FM(R)5.1	Calculates or evaluates a reasonable range of values for a business or business units or components of a business, using different valuation techniques, and identifies the factors and external influences that will impact on the calculated value of the business

MANAGEMENT DECISION-MAKING

Trainees are required to perform the prescribed tasks to a level 4 proficiency, i.e. they should be capable of performing the task with no intervention

Competencies		Tasks	
MD(R)1	Identifies and evaluates an entity's/business unit's key performance indicators	MD(R)1.1	Identifies financial and non-financial performance indicators that are key to the entity/business unit/audit engagement, including any industry-specific benchmarks
		MD(R)1.2	Evaluates performance measurement methods for key performance indicators
MD(R)2	Prepares budgets and performs sensitivity analyses	MD(R)2.1	Prepares a budget for an entity/business unit/audit engagement, with clearly documented assumptions
		MD(R)2.2	Performs sensitivity analysis on prepared budgets, varying key assumptions to document a range of possible outcomes
MD(R)3	Analyses and interprets budget variances	MD(R)3.1	Documents actual performance against budget, and investigates and documents reasons for variances
		MD(R)3.2	Makes recommendations to address variances

TAXATION

Trainees are required to perform the prescribed tasks to a level 4 proficiency, i.e. they should be capable of performing the task with no intervention

Competencies		Tasks	
TX(R)1	Calculates or evaluates income tax payable and prepares or evaluates income tax returns for individuals	TX(R)1.1	Calculates or evaluates the income tax payable for an individual, considering: <ul style="list-style-type: none"> inclusion and classification of income from different sources, for example, employment including fringe benefits and lump sum benefits, property, business, capital gain/loss, other income, etc. exclusion of exempt income deductibility of expenses, for example, contributions to pension or retirement funds or medical expenses, income protection policies, assets used for trade purposes, legal fees and study at home, etc.
		TX(R)1.2	Prepares or evaluates income tax returns
TX(R)2	Calculates or evaluates income tax payable and prepares or evaluates income tax returns for legal entities	TX(R)2.1	Calculates or evaluates the income tax payable for a legal entity, considering: <ul style="list-style-type: none"> type of legal entity, for example, private, public, small business corporation, foreign, trusts, etc. inclusion and classification of income, for example, active business income, income from property, capital gains, exemptions, etc. deductibility of expenses, for example, capital allowances, assessed losses and special allowances, etc. tax deductions and credits, for example, small business deduction, general tax reduction, etc.
		TX(R)2.2	Prepares or evaluates income tax returns
TX(R)3	Calculates other taxes payable and prepares or evaluates appropriate returns	TX(R)3.1	Calculates or evaluates withholding tax, for example interest or dividend withholding tax, etc.
		TX(R)3.2	Identifies when indirect taxes, for example VAT or customs duty, are applicable and calculates or evaluates the indirect tax payable
		TX(R)3.3	Prepares or evaluates indirect tax returns
		TX(R)3.4	Prepares or evaluates employees tax (PAYE, SDL and UIF) returns

RISK MANAGEMENT & GOVERNANCE

Trainees are required to perform the prescribed tasks to a level 4 proficiency, i.e. they should be capable of performing the task with no intervention

	New competencies	New tasks	
RM(R)1	Identifies and evaluates the risks pertaining to the financial information system	RM(R)1.1	Evaluates strategic, operational, financial, regulatory and information system risks, based on an understanding of the environment in which the entity/audit engagement operates, its strategies and management processes
		RM(R)1.2	Identifies the business processes which are susceptible to fraud and, where applicable, documents the systems introduced by the business to mitigate the risk
RM(R)2	Identifies the key internal controls (including IT related controls) implemented in an entity	RM(R)2.1	Identifies the entity's key business processes, including the procurement processes, and identifies general and application controls, both manual and IT, within these business processes
RM(R)3	Evaluates internal control	RM(R)3.1	Evaluates the design adequacy of internal control, including application and general controls within the IT environment in the context of the criteria/recognised framework
RM(R)4	Conducts governance reviews in accordance with appropriate governance standards	RM(R)4.1	Documents the components of the entity's/audit engagement's governance structure and its role, for example board of directors, audit committee, etc.
		RM(R)4.2	Evaluates the corporate governance practices of an entity/audit engagement in relation to relevant legislation and practices