

vital



THE QUARTERLY MAGAZINE FOR ACA STUDENTS

ISSUE 71
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ICAEW.COM/VITAL

Go your own way

Emma Perry on how moving
on from tragedy inspired her
to forge her own path



PLUS
INTRODUCTION
TO PROFESSIONAL
LEVEL **REVERSE**
MENTORING
THE LEADER OF
THE FUTURE



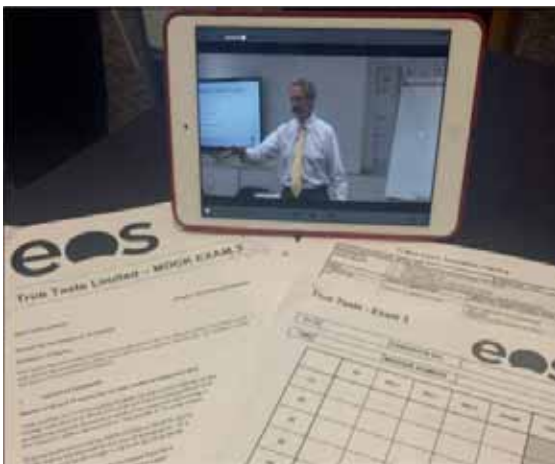
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Best foot forward

Investigating the extraordinary rise of the sneaker

COVER PHOTOGRAPHY: DAVID VINTNER

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Welcome to *Vital*

Welcome to the January issue of *Vital*. And a very happy new year to all our students



In this issue, we introduce the changes to the ACA syllabus this year. As ICAEW introduces computer-based exams for the first time for students sitting Professional and Advanced Level exams, we give you the low-down on how to prepare, and what to expect when the exam day comes.

In October, we launched the first in our series of special features, looking at each stage of the ACA examinations in turn. This time, it's the turn of the Professional Level. We hear from the examiners as they give an overview on their subjects and their top tips for how to pass.

As they reach their last few months in the role, we also meet this year's chair and vice chair of the ICAEW student council. Get to know them and find out why you should get involved with the council on page 11 of this issue.

In our conversations with members of the profession, from students right up to CFOs and partners, there is one issue that seems to come up more than any other - the changes the industry will face over the coming years and decades. Using research by ICAEW and by accountancy technology company Xero, we look at some of the skills we think you might need to put you in the best possible position in an exciting, yet uncertain future.

Also in this issue, we introduce you to our cover star, Emma Perry. Her life and career has not been without its challenges, but her ability to build on every difficulty life throws at her is as inspirational as it is interesting. We hope you find her story as remarkable as we did.

Marie Lake
Vital Editor

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Editor's picks

The online world, curated for *Vital* readers. This issue, the best **podcasts** for work, play and everything else



IN THE NEW ISSUE OF ECONOMIA

- Neeta Atkar of the British Business Bank in profile
- So that was 2016. We list the events, people, products, changes and regulations that coloured a year never to be forgotten
- The links between flexible working, wellbeing and the modern relationship between employees and employers
- How to navigate the long and winding road to Brexit
- There's more to life than Val D'Isere. How to pick, plan and enjoy a break in some of the world's lesser-known resorts with every chance of snow cover

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WORK



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podcast.ft.com/s/ft-alphachat



THE BROAD EXPERIENCE

A no-nonsense take on women, the workplace and success
thebroadexperience.com



NPR'S PLANET MONEY

A fortnightly look at all things economic and business
npr.org/sections/money

PLAY



YOU MUST REMEMBER THIS

The history of Hollywood
youmustrememberthispodcast.com



KERMODE AND MAYO'S FILM REVIEW

The week's film releases
bbc.co.uk/programmes



THE COMEDIAN'S COMEDIAN

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EVERYTHING ELSE



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A weekly conversation on how to tell a non-fiction story
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How fireplaces work and just about everything else
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icaew.com/studentcommunity

Top 10 In Review

1



STAY ORGANISED IN 2017

Do you have a question about your ACA training? We've designed a series of how-to guides to support you on everything from applying for CPL to using your online training file. Not forgetting our study guides and the ACA planner to help you keep on top of your studies icaew.com/how-to



2

THE ACCOUNTANT: AN UNEXPECTED SUCCESS

It might not come as a surprise to you that spotting anomalies on balance sheets is hot Hollywood property, but it did to some. *The Accountant* delivered a strong showing on its opening weekends in both the US and the UK, shattering box office expectations, with a windfall opening weekend of \$24.7m in its native US. Maybe a heart-throb crimefighting auditor is exactly what the world needs after all.

3

THE US ELECTION RESULT

The victory of Donald Trump in the US general election in November sent shockwaves across the world. Among the policies touted by Trump during the campaign were pledges to cut corporation tax, boost government spending on infrastructure projects, and simplify the US tax code.



4

NEW FITNESS COMMITTEE

ICAEW launched a new committee in November 2016 to determine whether members and students are fit to participate in disciplinary proceedings. If a member or student is suffering from a serious physical or mental health issue, a referral may be made to the committee to assess the situation and the complaint will be put on hold during this time. If the member or student's health is found to be seriously impaired, the committee will have various powers designed to protect the public, including the ability to suspend a person's membership if necessary. For more information, go to icaew.com/regulations

5

POST-BREXIT CONFIDENCE SLUGGISH



In contrast to many recent upbeat economic reports, ICAEW's latest Business Confidence Monitor has found that the confidence of companies in all sectors and regions in the UK remains weak, and that the number feeling less confident about their economic prospects over the coming year continues to outstrip the number that are optimistic. At -9.8, the BCM confidence index remained negative in Q4 (Q3 -10.2). This negativity chiefly reflects concerns over Brexit, although sluggish demand and rising costs are also contributing. See icaew.com/bcm

6

ICAEW JOINS CROSS-BODY AVOIDANCE MEASURES

Seven bodies - ICAEW, ICAS, ACCA, AAT, Chartered Institute of Taxation, Association of Taxation Technicians and the Society of Trust and Estate Practitioners - have published revised guidance for tax advisers and agents, which sets out clear professional standards in relation to the facilitation and promotion of tax avoidance. The government has given its backing to the moves, and HMRC has announced it will bring other bodies, including the legal profession, into a similar-regime.

7 DATES FOR YOUR DIARIES

To access your exam results and pass rate statistics for the ACA exams, go to icaew.com/examresults

Book your exams via your online training file at icaew.com/trainingfile

- **9 JANUARY** Apply for March's Professional Level exams

- **20 JANUARY** December's Professional Level exam results

- **8 FEBRUARY** Deadline to apply for March Professional Level exams

- **13-15 MARCH** March's Professional Level exams

8 WEBINARS WORTH TUNING INTO

All webinars are broadcast live from Chartered Accountants' Hall at 10am UK-time. Register at icaew.com/acawebinars

- **23 FEBRUARY** Excel skills

- **12 APRIL** Transitioning to a manager

Get in touch: Call +44 (0)1908 248 250, or use the contact details at the top of the page.

If you're browsing the website, look out for the live help boxes. You will be able to speak directly to an adviser.

10 HERE TO SUPPORT YOU

Teams across ICAEW are here to support you every step of the way in your ACA journey to becoming an ICAEW Chartered Accountant.

So if you're applying for credit for prior learning, requesting special consideration or require information for an upcoming exam sitting, they work tirelessly and thoroughly to ensure that you have the information and answers you need when you contact us.

As you know, positive professional conduct is at the core of being a chartered accountant and we ask

9 GRADUATION CEREMONIES

Pakistan In October, 56 new members and 16 ACA students took part in a series of graduation ceremonies across Pakistan. Head of new business opportunities, Justin West, was present.



Mauritius In December, 35 new members and students who had recently completed their ACA exams were invited to the first ever Mauritius graduation ceremony. ICAEW president, Hilary Lindsay, and director of global student recruitment, Sharon Spice, both attended.

Cyprus Congratulations to all ACA students in Cyprus for passing their exams. ICAEW president, Hilary Lindsay, will join them at the annual graduation ceremony in Nicosia in January to celebrate along with friends, family, employers and tuition providers.

Malaysia In November, we held a ceremony in Malaysia to celebrate new ACA graduates on all their hard work and success. Numerous authorised employers attended the ceremony to celebrate their students' success.

you to remember this when you contact us. You are also responsible for applying for your exams, credits and ensuring you have access arrangements in place in good time. Keep ahead of key dates and deadlines with the 2017 ACA planner – included in this edition of *Vital*.

Thank you for the time you take to contact us, we experience a high volume of enquiries every day, so please be patient. If you don't receive a response straight away, our teams are working through enquiries as quickly as possible.

THE LOWDOWN: RICHARD SPENCER

The Twitter interview: Here, ICAEW's head of sustainability steps up



Can you sum up your role in 140 characters?

I am fortunate to lead a team of amazing people far cleverer, more gifted and imaginative than me who really seem to like to be around me.

What's the best part of your job?

I have the space and support to bring people together to ask challenging questions about the financial and economic systems, businesses' impact on the planet and the future of the profession.

Why is sustainability important?

ICAEW's vision is a world of strong economies. This will only be achieved by ensuring the societies they will depend on are fair and just and that all of that can be achieved within what nature can afford.

What was the key to your success?

Relentless optimism and the brilliant people I work with.

How do you relax outside of work?

Sleep, read, eat.

What's the key to a healthy work/life balance?

Enjoying your job and your home equally; living all your life by the same set of values.

What's your advice for students?

We live in an age of momentous change and we have the potential to make a total disaster or a blinding success of it. I think that it is on your shoulders that this possibility rests, so be braver, gentler and more ambitious than we have been.

The boss

Tim Fouracre is the founder and MD of accounting software company Clear Books. He tells *Vital* how his entrepreneurial spirit led him to where he is today

As a child I was motivated by the satisfaction of making money. Whether it was the interest stamped on my savings account book or “buying” shares off my dad and then scouring the weekend paper to see if they had gone up in value to sell them back to him for a profit.

In my teens I created a dance school database for my mum and her business partner’s dance school, which enabled them to invoice parents and maintain class registers. I created a website to sell the software to other dance schools.

I started in audit at KPMG’s Reading office. I moved to London for secondments in transaction services and forensics. The ACA was the springboard for me to pursue my entrepreneurial aspirations.

The ACA accelerated my understanding of business finances. This is a valuable skill. I work with thousands of small business owners and entrepreneurs who don’t know how to interpret a profit and loss statement or balance sheet.

It took a full year to get our first customer at Clear Books and I spent the first year and half working from home on my own. Today we have a passionate and kind team of 25 people based in London, looking after more than 10,000 customers with sales of £1.4m forecast this year.

The most important qualities a manager wants to see are positivity, visible passion for what you do, and a work ethic to do your best.

I remove distractions by unsubscribing or auto marking as read the numerous email updates, news alerts and social media notifications that are just a black hole for my time. ■



Not everything in my career has gone to plan but I wouldn't change any of it

I say no to invitations, meetings and to work that doesn't need my input

PHOTOGRAPHY: PATCH DOLAN



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One Young World



After attending the One Young World summit in Ottawa, Katie Feld considers the inspiring individuals making big changes

I was one of seven people chosen by Chartered Accountants Worldwide to attend the 2016 One Young World summit in Ottawa, joining thousands of other young people from all over the world. I met one guy from Yemen who'd taken a boat, four planes and a coach to get there. He made me think twice about complaining about jetlag. The majority of people had been nominated or sponsored, someone around them had been inspired by them. We were all there to do someone proud, and get the best out of the experience.

GENDER EQUALITY

Emma Watson, the actress and activist, ran a session on gender equality. It's a subject that's relevant to everyone, but as a woman in the workplace it was something that resonated strongly with me. She had sponsored nine young women from all over the world to attend the event. But there was one

that stuck in my mind, a young lady from Jordan who had started a kickboxing school for women affected by domestic violence. The summit was full of inspirational people like her.

So how do you learn from stories like this and take them back to your daily life? In my department we have an even split of male and female partners, which is very different from other places I've worked. I'm lucky that I've picked a profession that encourages women, and supports change. However, it's important not just to sit back and celebrate our successes, but to look at why it's worked for us and to try and replicate that success across the firm, and also outside of it.

Whether that's by speaking to younger trainees or by going into schools, we need to listen to other young women and make sure we hear their stories.

REFUGEES

Another of the speakers was a Syrian refugee who had come to Canada. He

“We were all there to do someone proud, and get the best out of the experience”

now works directly with the Youth Parliament, launched by Australian Prime Minister Justin Trudeau, to coincide with One Young World. He had come from a privileged background in Syria, but had been forced to leave everything behind. Through his own determination and strength he'd managed to build a life in Canada, and managed to use that strength to make a difference to other people.

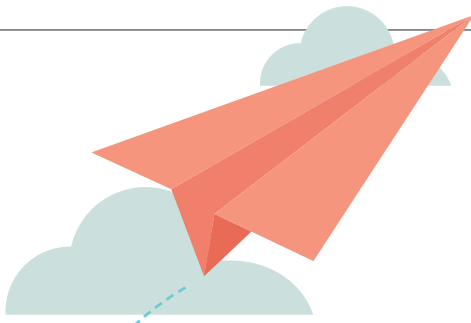
There were several representatives of the Refugee Nation at the summit, and the refugee crisis was one of the major points of discussion.

The conference happened against a backdrop of the EU referendum in the UK and the US election, both of which were characterised by a lot of negative language. This, against the backdrop of the refugee crisis, reminded us all of the danger of sitting back and allowing things to happen without challenging them.

THE TAKEAWAY MESSAGE

It can be quite intimidating going into an environment like One Young World, and being surrounded by people who already do so much. If you think of climate change, for example, you think that you could never solve that problem. But when you have a big problem you don't try and solve it as a whole, you take it one step at a time and you think about a single change you can make.

Go back to your organisation and say, “Why are we using hard copies?” or, “Why don't we have automatic lights?”, “Why don't we have a cycle to work scheme?” Gradually, you shift the mentality. If everyone makes a small change, we can get a lot done. ■



For more information on the ICAEW Student Council and to find a student group near you, go to icaew.com/studentgroups

Leaders of the pack

As their time at the top reaches its final furlong, we sit down with the ICAEW Student Council chair and vice chair

Student chair: Rob Mann

Job title Senior Associate, PwC.

ACA I completed my ACA in September 2012 at a firm in Cheltenham.

IN DEPTH

Goals as chair My main goal is engagement of students. This includes engagement with students and their involvement with the ICAEW and also engagement with international student groups who currently don't have the same support network that we have here in the UK.

Another goal of mine is to promote CABA. CABA is a great support resource for members of ICAEW that many students just aren't aware exists.

How do you maintain a work/life balance? I keep my weekends for seeing friends and family and plan evenings around what my workload is like. I am not opposed to working hard, that comes with the career choice, but definitely make sure I make up for it by playing hard.



QUICKFIRE

Favourite hobby

Ultimate Frisbee

Favourite film

Ferris Bueller's Day Off

Favourite food

Currently - burritos

Career high point This career choice has so many opportunities that pinpointing just one is difficult. I have met many interesting and successful business leaders, I have been all over the country for various events and dinners and have had the opportunity to travel overseas.

Vice chair: Rebecca Sutton

Job title Tax Executive, Grant Thornton

ACA August 2012 - 2015 at Grant Thornton, Sheffield.

IN DEPTH

Why did you get involved?

After attending local management committee meetings as part of my role with Sheffield & District Chartered Accountant Student Society, I noticed a lack of young blood, and realised just how important it is for younger members to get involved and help influence decision making. Student Council is a great way for me to do that.

What's your dream job?

I love the variety I have in my job, and the team I work with are amazing. They make coming into work an absolute pleasure. I'm currently doing my CTA exams which is really difficult to juggle with work commitments, so I'd happily change that about my current job, but not much else.

Career high point?

Travelling to St Helena to audit a client there. The journey there took me on a RAF plane and then the RMS Boat (for 4 days). It was a once-in-a-lifetime experience as they are due to open an airport on the island so the journey won't be quite as unusual in future. It's a beautiful place and I can't wait to see how it reacts to the changes an airport will bring.



QUICKFIRE

Favourite hobby

Playing hockey/running (while chatting) with a friend

Favourite place

Sheffield

Favourite food

Steak

PROFESSIONAL APPROACH

In the second of our series, Professional Level examiners provide an overview of their subject and their tips for passing the exams. This level is about expanding your knowledge and skills and getting ready for the Advanced Level exams. Good luck.

FINANCIAL ACCOUNTING AND REPORTING

From March 2017 onwards you will have the option to sit an IFRS or a UK GAAP version of the Financial Accounting and Reporting exam. Both versions of this exam will cover broadly the same material, largely mirroring each other and will be sat at the same time. The IFRS module will continue to follow international standards, whereas the UK GAAP module will be based on the Companies Act 2006 and the UK accounting standard, FRS 102 (the Financial Reporting Standard Applicable in the UK and Republic of Ireland). The differences between the two versions of this exam are largely those of format and terminology, for example, “balance sheet” rather than “statement of financial position”.

Differences in the financial reporting treatments set out in FRS 102 and IFRS are now minimal so the technical content of the exams will be very similar. IFRS and UK GAAP differences will continue to feature in both, and will typically account for three to six marks. Past experience has shown that this is an area where students do not perform well. In the September 2016 exam, UK GAAP format differences were tested as opposed to differences in accounting treatment and this was one of the most poorly answered UK GAAP differences questions to date.

Both exams will continue to consist of four questions, testing four of the five different question types. Of these four, there will always be one question covering the preparation of single entity financial statements, one covering the preparation of consolidated financial

statements and one requiring an explanation of the application of IFRS (or now UK GAAP, depending on which module is taken) to specified scenarios. The remaining question will be in the style of a mixed or single topic question requiring calculations and/or extracts with or without an explanation of the financial reporting treatment, or the preparation of a statement of cash flows, either single entity (which could be in the form of extracts or the completion of) or consolidated. Ethics and concepts will continue to be tested, being 10% of the syllabus, as part of any of the four questions.

The preparation of the single entity financial statements question continues to be either from a trial balance or draft financial statements. However, from 2017, the preparation of consolidated financial statements will always be from single company financial statements.

Generally, student performance continues to be of a good standard, although messy handwriting and random workings with no audit trail continue to be issues. However, this will be resolved when this exam moves to computer-based in September 2017. Students are reminded to read the requirements for each question carefully; if an explanation of the accounting treatment is required the word “explain” will be used. Otherwise while the accounting treatment should be applied no explanation is required, nor will such explanation attract any marks.

And finally, be sure to always review the syllabus documents and learning materials in detail.

BUSINESS STRATEGY

Business Strategy covers how organisations develop and implement their “big plan” – their strategy.

The exam’s three separate scenarios range widely across different organisations and industries. Don’t expect to be familiar with any of the scenarios, but do be assured that the exam has all the information you need to produce great answers.

There’s a lot to do in the 2.5-hour exam time, so question practice is vital in the run-up to the exam. You have to read and assimilate written information, identify what the issues are, use numerical information and your knowledge to form balanced judgements, and express your analyses and conclusions clearly.

Read the requirement(s) of each question first. Pay close attention to the mark allocations before working through the relevant scenario. This will help you pick out the information that is relevant to each requirement.

If there are numbers in the scenario, they are there for a reason – use them. They add depth to the written data so you should analyse and interpret them methodically. Set out your calculations clearly in tables, and show your workings for specific calculations. Your numerical analysis forms the basis of some of your judgements, so it should be clear and relevant. Don’t spend too long making computations – you still need to produce a proper written analysis and judgement.

If you are asked for a recommendation or conclusion, don’t sit on the fence. Even if more information is needed to be fully definitive, you should use your analysis to give a clear indication of the best option.

Business Strategy encompasses many models, or methods of analysis, such as SWOT and PESTEL. Some requirements may ask for (parts of) specific models, while some may just ask you to “use relevant models”. Most requirements don’t specify a model. Don’t panic. Practise how to analyse scenarios to identify whether, and which, models may be relevant. Apply the model(s) thoughtfully in the context: don’t just brain-dump. Some parts of the model may not be applicable.

And finally, adopt a professional style in your written answers.

AUDIT AND ASSURANCE

This exam consists of six short-form questions (20% of marks) and three longer questions (80% of marks). Each exam broadly reflects the syllabus weightings – ethics/legal requirements (20%), managing assignments (15%), planning (40%) and concluding/reporting (25%). The syllabus builds on the Assurance module and develops knowledge and skills required at the Advanced Level. Success in the exam requires knowledge of the contents of professional and ethical pronouncements contained in Parts 1-10 of the permitted text and the ability to apply that knowledge to scenarios.

Marks are lost by failing to:

- manage time effectively resulting in no or very brief answers - time is wasted by providing long answers to short-form questions or providing generic answers unrelated to the scenario;
- use financial and operational information provided in scenarios; and
- note topics new to the syllabus and learning materials. For example, data analytics was added to the 2016 syllabus and was examined in a short-form question in September 2016. Answers demonstrated a lack of knowledge of material in the 2016 study manual.

Avoid these pitfalls by:

- allocating sufficient time for each question and using bullet points to answer short-form questions;
- gaining proficiency in the computer-based exam software by using the sample questions to practise;
- reading requirements first in scenario-based questions and then working through scenarios highlighting issues which are specific to the requirements;
- applying analytical procedures to financial and operational information provided in scenarios;
- noting changes to the syllabus, for example, cyber security was added to the 2017 syllabus and material on this topic and is included in the 2017 study manual along with additional material on data analytics; and
- practising questions in the ICAEW question bank as these provide guidance on the style of questions and standard of answers required.

FINANCIAL MANAGEMENT

Financial Management aims to enable you to recommend relevant options for financing a business, recognise and manage financial risks and make appropriate investment decisions.

The exam consists of three questions, one assessing financial risks, the other two assessing financing options and investment decisions and valuation either as discrete or integrated topics.

The exam will cover the practical and theoretical aspects of topics within the Financial Management syllabus. Each question is sub-divided into several requirements and you will be required to provide detailed computations and narrative answers. We would like to emphasise that you should always refer to the scenario of the question in your answers and not just provide generic responses. You should be well prepared for the exam by thoroughly understanding the topic areas and using the question bank to practise.

Some examples of mistakes that you can easily avoid are:

Not answering the question that is asked

The scenario requires you to consider the effect of different capital structures on gearing ratios and then make a comparison with an industry average. Many candidates will give a full description of Modigliani and Miller's theory on capital structure, which is not required unless the theoretical considerations are asked for.

Missing easy marks

- using a cum-div share price and cum-interest bond price when calculating market values;
- using a cum-interest bond price in cost of debt calculations;
- using book values when making gearing adjustments to equity betas (even though the formula states market value);
- deducting the risk free rate from the market risk premium;
- using the incorrect exchange rate for forward contracts;
- using incorrect interest rates when using interest rate parity or money market hedges;
- confusing put and call options; and
- treating an over the counter currency option as a traded option.

Don't forget to check out the exam resources available including the syllabus and technical knowledge grids, errata sheets, skill development grids, past exams, study webinars, and more at icaew.com/examresources

TAX COMPLIANCE

This exam has five questions:

- 1 **Ethics and law** 7 marks
- 2 **Indirect taxes** 13 marks
- 3 **Capital taxes** 25 marks
- 4 **Corporation tax** 15 marks
- 5 **Income tax and NIC** 40 marks

Spread your time based on the number of marks. Do not overrun. Do not rush written questions or questions you do not like.

Attempt all question parts, even if only worth a few marks.

Read the requirement carefully, and find the command word. Often this is "calculate", but look for any further command such as to explain your answer. For example, you may be asked to "calculate inheritance tax, explaining any reliefs". If you do not "explain" you will lose the marks available for that part of the requirement.

A requirement that asks to show your treatment of each item means the examiner needs to see reference to every cost, every receipt of income and so on.

If there is no adjustment or income is exempt, show the item with a zero next to it.

Be precise to demonstrate what you know. For example, you will lose marks if you show a company's brought forward trading loss used against taxable total profits. If asked to state the companies in a loss relief group and those in a gains group, label your answers so the examiner knows which is which. Then, be consistent. Do not give group loss relief to a company you have just excluded from your loss group.

If asked to calculate net cash or net disposable income, stop and think. What are the incomings and outgoings? Taxes, including NIC, are outgoings. Label your calculations to show which is your attempt at the answer (incomings less outgoings) and which are workings (tax computations to include as outgoings). Do not mix the two.

Learn these skills by practising questions under timed conditions and reviewing your answers.

BUSINESS PLANNING

The Business Planning modules provide you with the opportunity to gain subject- and sector-specific knowledge while studying the ACA. You only need to sit one of the three Business Planning modules. Your choice may be influenced by your workplace, your personal interests or the area in which you want to specialise when you become a chartered accountant.

All three exams are 2.5 hours long and follow a similar structure, made up of three compulsory questions. The exam will provide a total mark for each question, but you won't see an exact breakdown of marks, so it's up to you to prioritise each question and your time accordingly.

Business Planning is a bridge to the Advanced Level. Although the Professional Level exams can be attempted in any order, it's advisable to consider taking your Business Planning module as one of your last Professional Level exams. The exams are skills-based rather than knowledge-based and you'll find your learning from previous exams useful. You can also take any learning materials with you into the exam hall, subject to space restrictions. This reflects the 'problem fixing' feel of the Business Planning exams where you need to show that you can apply your knowledge to scenarios to produce sensible recommendations.

Question practise is key to preparing for this exam, so use the question bank and past exams when studying and revising.

Business Planning: Banking

This exam requires financial and regulatory reporting, audit, and risk management skills to be applied in a banking scenario either in industry or in audit practice. The question will place you in a fictional role where you must

apply the knowledge you have gained to the scenario provided.

As part of your studies you should read the extended audit reports found in the annual reports of banks to understand some of the issues facing banks and their auditors.

Business Planning: Insurance

This exam does not attempt to turn you into insurance specialists. Rather, it is aimed at providing a very solid foundation for those who expect to work in insurance in the future, or who currently work in this industry.

To date, question one has tended to focus on external audit scenarios, with risk management and ethics as secondary issues; question two on risk management and responses, including dealing with the risks of buying an insurance company; and question three on insurance products, with a recommendation of which products and services will most suit a client's needs.

Business Planning: Taxation

Building on the knowledge and skills from the earlier tax exams (Principles of Taxation and Taxation Compliance), this exam develops the use of this knowledge in more complex scenarios, and develops your awareness of tax issues, so that you can identify them and their impact. The focus is on planning and decision-making.

In the exam, calculations will form part of your answers, you'll also need to explain a course of action or decision a taxpayer wants to make, and then make decisions and recommendations following your analysis of the options available to taxpayers and the information available. Information given may be incomplete, so you'll need to identify what further information is needed to advise a taxpayer correctly.

Please note that Business Planning: Taxation exam is available at all Professional Level exam sittings, whereas the Banking and Insurance exams are available at the June, September and December exam sittings. ■

Syllabus changes in 2017

The ACA syllabus has been updated. Here you'll find an overview of some of the key themes and changes and what to look out for in 2017

INFORMATION TECHNOLOGY

Recent advances in the way data is captured, stored and communicated have fundamentally transformed not just business processes, but also the ways in which we do business. The ACA syllabus has evolved to reflect these continuing changes. However, the nature and extent of IT-related topics varies in each exam. We select two key themes; cyber security, and data analytics and big data, and look at how they will affect a number of exams to capture the key IT changes in 2017.

AUDIT AND ASSURANCE

The 2017 syllabus includes cyber security and data analytics. These topics are relevant to Audit and Assurance and Corporate Reporting.

Cyber security

Cyber security and concerns about cyber-attacks are among the most commonly reported concerns by businesses. Assurance over such concerns has therefore become a key aspect of operational and functional controls, as well as financial controls, as part of the overall resilience of a business to cyber-attacks.

The Audit and Assurance syllabus introduces risk identification regarding cyber security, business risk and business process risk, and highlights the need to assess the implications of cyber attacks and the need for expertise in cyber security.



The Corporate Reporting syllabus has added emphasis on the causes of, and controls over, cyber-attacks. This includes the need to analyse and evaluate preventative and detective control mechanisms and processes relating to cyber security risks.

Data analytics and big data

In the context of auditing, data analytics concerns the process of extracting, transforming, validating and analysing large volumes of data to make judgements and form conclusions. Data analytics therefore attempts to use improvements in data management tools and digital technology to enhance audit quality and audit efficiency.

Requirements for data analytics in the syllabus for Audit and Assurance include the impact on the extent of tests of controls and of substantive

procedures. It also includes benefits and limitations of analytical procedures, including data analytics.

There is an increase in big data and data analytics in Corporate Reporting, which includes issues of audit quality as well as the problems of data capture, extraction, validation and transformation. The issue of risk analytics is also addressed.

BUSINESS AND MANAGEMENT

Advances in IT have not only developed new business processes but have enabled new types of businesses to be established. However, it also comes with risks and the need for information risk management.

The modules covering these IT issues are Business Strategy and Strategic Business Management.

Cyber security

Business risk arising from an IT strategy is a key issue in Strategic Business Management. The emphasis in this exam is from the perspective of information strategy, including the consequences and risks arising from cyber attacks. In particular, the new material considers exposure to cyber-attack from external sources, arising from business relationships.

Data analytics and big data

The use of big data and data analytics has become a key source of competitive advantage. Businesses are now able to access new sources and types of information about external factors and internal processes.

There is therefore an increase in content for the Business Strategy module relating to big data and data analytics. This includes an assessment of organisational and operational capabilities, and information systems capabilities. This also includes the analysis of large data sets and the ability of an entity to analyse outputs to assess performance, position and processes.

For Strategic Business Management, data relating to markets, industry and performance, including the capture and analysis of big data, is analysed. This requires an understanding of the nature and complexities of big data and of how that data can add value to decision-making to give competitive advantage. At a higher level, it also requires an understanding of the enabling impact of strategic management information on the entity.

FINANCE ACTS

The Finance Act 2016 received Royal Assent later than usual and so will only be tested in tax exams from 1 April 2017. Here is what you need to know.

PRINCIPLES OF TAXATION

Exams up to and including 31 March 2017 will test Finance Acts 2015. Exams from 1 April 2017 will test Finance Act 2016.

The tax tables provided on screen during your exam will reflect the relevant rates and tables for that

assessment. The main tax changes for exams from 1 April 2017 are to the taxation of interest and dividends for individuals, including 0% rates within the personal savings allowance and dividend allowance.

TAX COMPLIANCE

The exam in March 2017 will test Finance Acts 2015. The permitted text is *Hardman's Tax Rates and Tables 2015/2016 Edition 1*.

The exam in June, September and December 2017 will test Finance Act 2016. The permitted text you'll need is *Hardman's Tax Rates and Tables 2016/2017 Edition 1*.

You may take a different edition of the permitted text into your exam. However, the exams are set on the edition stated and anyone using a different edition does so at their own risk. If you answer a question using rates for an incorrect tax year, you will be penalised.

For exams from June 2017 onwards, you will need to appreciate the changes to taxation of interest and dividends for individuals, as well as for trustees and beneficiaries. Also, each version uses a different permitted text - to make sure you have the correct text, go to icaew.com/permittedtexts. Among other changes following Finance Act 2016, there are now different rates of capital gains tax for residential property gains and gains on other assets.

BUSINESS PLANNING: TAXATION

The exam in March 2017 will test Finance Acts 2015. The June, September and December 2017 exams will test Finance Act 2016.

There are no restrictions in terms of permitted texts for this exam. However, for the March 2017 exam you are advised to refer to the *Hardman's Tax Rates and Tables 2015/2016 Edition 1*. For exams from June 2017 onwards, the relevant edition is *Hardman's Tax Rates and Tables 2016/2017 Edition 1*. ■

Check out the learning outcomes for each ACA exam, including the technical knowledge and skills development grids and read the 2017 syllabus, icaew.com/examresources

UK GAAP

From March 2017, a UK GAAP version of the Financial Accounting and Reporting exam will be available. This exam is academically equivalent to the current IFRS version of Financial Accounting and Reporting, and you only need to sit and pass one as part of your ACA qualification.

Why the change?

The future of financial reporting in the UK was confirmed on 1 January 2015 when the FRC replaced the existing FRS and SSAPs with a new suite of financial reporting standards: FRS 100-105. This has made it clear the UK GAAP is here to stay.

What does this mean for you?

It means you can select a UK GAAP or an IFRS version of this exam, and study the financial reporting framework most beneficial for your workplace. If you are in a training agreement, your employer will guide you. If you are studying the ACA independently, you should consider your future ambitions when selecting a module to sit.

Both sets of learning materials will cover the fundamental differences between UK GAAP and IFRS, so you'll develop your knowledge of both. Each version uses a different permitted text, make sure you have the correct text, go to icaew.com/permittedtexts

If you want to focus on IFRS, the existing Financial Accounting and Reporting module will be renamed Financial Accounting and Reporting: IFRS. When booking your exam, take care to select the correct version you want to sit.

Please note that you only get four attempts at Financial Accounting and Reporting NOT four attempts at the IFRS version and another four at the UK GAAP version.

Introducing

computer-based exams



ICAEW is integrating technology into the Professional and Advanced Level exams to enhance the exam experience and make it more reflective of a real work environment



Computer-based exams will be introduced from March 2017 with Audit and Assurance and Tax Compliance moving to computer first - this is the information you need to know.

GUIDANCE AND SUPPORT

There is a variety of exam support already available to help you prepare for your exams, from webinars and articles, past exams and marks plans and the syllabus. Now, more guidance and support is available to help you become familiar with the new computer-based exams.

It's important to remember that you'll continue to study, practise questions and prepare for computer-based exams as you currently do for ACA exams, and that once an exam moves to computer, the paper-based version will no longer be available.

NEW EXAM SOFTWARE

The computer-based exam software has all the essential functions you need during an exam, and you will be familiar with most of them. Extensive student testing has taken place and we are confident that the new software contains all the functionality that you will require. A live pilot was also held as part of the September 2016 Professional Level exam session when a group of students took their Audit and Assurance and Tax Compliance exams on computer. The results of the pilot were directly comparable to students taking the same exam on paper. We recommend that you become familiar with the new exam

software in advance of your exam. Here is an overview of the guidance and support you can access:

Exam guide: Provides information on what to expect on the day of the exam, how to navigate through the software and key functionality.

Series of short webinars:

Before your exam, watch ICAEW's on-demand webinars, which will introduce you to computer-based exams, an overview of the exam software and the exam experience from start to finish.

Sample exams: Access a blank version of computer-based exam software, so you can practise answering questions as you would in the actual exam. You can also view the illustrative answers from our examiners and guidance on exam technique. The illustrative answers also help to show how your exam responses should be set out.

Question bank: This will continue to be available two months before every exam. This means you will be able to access content from the question banks for Audit and Assurance and Tax Compliance in the exam software this month.

KEY DATES

Computer-based exams, at the ACA Professional and Advanced Levels, will be introduced over a two-year period from March 2017. Below are the dates when each exam is moving to computer. Be sure to make a note of the dates, so you know when each exam will move to computer.

March 2017: Professional Level Tax Compliance and Audit and Assurance.

September 2017: Professional Level Financial Accounting and Reporting and Financial Management.

March 2018: Professional Level Business Planning and Business Strategy.

November 2018: Advanced Level exams.

If you have a question, contact the ICAEW student support team, call +44 (0)1908 248 250 or email studentsupport@icaew.com.



To download the exam guide, watch the webinars, access the sample exams and question bank, and for guidance on access arrangements and how to book your exam, go to icaew.com/cbe

LEADER OF THE FUTURE

The profession is changing, so how can you make sure you're ready for success? No one can predict the future, but this is what we think its leaders might look like

FLEXIBLE

40%


Accountants surveyed by Xero said technology has made their day more flexible

75%

Accountants said they would be more successful if they could choose the hours they work




ADAPTABLE

 We're living in unpredictable times. Your businesses and your roles will need to be **versatile**, entrepreneurial, and most of all able to cope with change.

ACCOUNTABLE

 Business is being held to account more than ever before. The new Senior Managers Regime in some sectors ensures leaders are accountable for the actions of their employees. **Trustworthiness** was ranked second most important quality for success by those surveyed in ICAEW's future skills research.

DIVERSE

 The challenge for business is to ensure the path to success is clear, including for women, LGBT employees and ethnic minorities.


25%

Davies review target for board roles held by women has been met


2021

Parker Review: each FTSE 100 board to have at least one director of colour

ADEPT WITH TECHNOLOGY

 **71%** of chartered accountants told Xero they **expect knowledge of technology and automation** to be crucial to their continued success in five years. 17% of FDs and CEOs and a third of the partners and senior partners surveyed by ICAEW viewed technological changes as a main business challenge.

GOOD COMMUNICATOR

 **21%** of CFOs and FDs surveyed by ICAEW felt their role will be **more strategic and advisory in the next 5-10 years**. You'll need to come up with strategies and communicate them in a way only a human can.



Going solo

Emma Perry's story is one of tragedy, triumph and transition. Blayne Pereira finds out about the events that influenced her

Photography: David Vintiner

I think people like that I'm different," says Emma Perry, who, at first, might seem young to have started out on her own. "Some people don't want a 'traditional' accountant, they'd rather have a fresh approach, someone who isn't going to talk in jargon."

Aged just 32, Perry has fitted a lot into her relatively short career. She has worked on both sides of the Atlantic, weathered a recession, worked on anti-terrorism projects, and gained experience as both an auditor and as an analyst. However, it was tragedy that encouraged her to start her own business.

Perry studied Psychology at the University of



CV TO DATE

2014-Present: Principal:
Chartered Accountant,
Emma J Perry & Co.

2011-2014: Analyst,
leveraged finance,
Fitch Ratings

2010-2011: Chartered
accountant, credit fund
team, Intermediate
Capital Group

2009-2010: Research
associate, Harvard
Business School

2006-2009: Trainee
accountant/auditor,
HW Fisher

2006: Bookkeeper,
Simply Sold

2006: Case administrator,
Forensics & Disputes,
Deloitte

2005: Finance
administrator, Royal
Borough of Kensington
& Chelsea

Birmingham, where she received a first class honours degree before following in her father's footsteps and training as a chartered accountant with HW Fisher.

But by the time she completed her ACA qualification, the recession had hit with a vengeance and her contract was not renewed in 2009. She headed out to Washington DC on a week-long holiday with her mother and stumbled upon an opportunity in the intelligence community at Harvard Business School. Spurred on by her mother, she says, Perry accepted the short-term contract and worked on projects related to counter-terrorism.

Then, following her stint in the US capital, she travelled to California and planned a move to Los Angeles before life threw her the ultimate curveball. Perry's mum came to visit and the pair were involved in a car accident in the desert that only Emma survived. "I suffered with depression and post-traumatic stress disorder after the accident," says Perry.

A tattoo of a semicolon on her wrist serves as both a reminder of, and a triumph against her battle with depression. It sits next to a lotus flower, which, she says, symbolises her ability to emerge stronger after challenging times. Project Semicolon is a movement based on that following symbolism: "A semicolon is used when an author could have chosen to end their sentence, but chose not to. The author is you and the sentence is your life." she says.

As well as undergoing therapy, Perry cites her business network as being a major help: "I was struck by how much support I had from them, I received a lot more support from my business connections than I thought I would. It helped to get me out of the house."

THE PATH TO SOLE PRACTISE

Perry shelved her LA plans, moved back to London, and decided on an industry change: "I no longer wanted to do audit. It's a great foundation for any career and certain people are made for it, but it just wasn't for me. I love working with a range of businesses and I was headhunted for a credit fund team at ICG (Intermediate Capital Group) - which is where I decided I wanted to be an analyst."

She moved to Fitch Ratings the following year to work as an analyst for the leverage finance department. She stayed there for three years before deciding to take the plunge and set up her own firm. "I think the accident made me realise how important it is to find meaning in your career and I decided to set up on my own.

"I wanted to be happy and I didn't really like the values that I was seeing in finance. I wanted to show business can be done a different way with



"I wanted to be happy and I didn't really like the values that I was seeing in finance. I wanted to show business can be done a different way with different values"



different values. I went in wanting to revolutionise accountancy. I don't see why there aren't others doing the same."

Perry started her firm in March 2014, two months before her 30th birthday - she had also set herself the target of having her first client by that point. She got her first two with two weeks to spare. "You just get really shocked when you get your first client - 'Oh my gosh, someone's paying me, I can actually do this!'"

At 32, with piercings and tattoos, Perry looks significantly younger, and a far cry from the traditional image of a sole practitioner. But has she found her age a barrier when finding clients? "When I first meet someone, maybe, but only because I look young and they're like 'Why is my accountant 12?'" she says. "But they just need to hear me talking, or hear about my experience, and they realise a 12-year-old doesn't know about tax!"

NEW SCHOOL VS OLD SCHOOL

Perry might pride herself on having a modern approach to the profession, but she has deep respect for the "old school" methods used by her father: "He's trained me with the techniques he has used for the last 35 years and they are still applicable today."

Like father, like daughter - both Perrys run their own practice. They often share ideas and expertise. "We consult on each others' cases depending on our different specialist knowledge, and he continues to train me on some complex areas of tax" she says. "He's worked on tax for 30 years, I've got a web presence so I've put a lot of clients his way. We're a good mixture - combining modern and old-fashioned values."

NETWORKING AND MENTORING

Emma J Perry & Co has steadily grown over the last three years and Perry now looks after approximately 25 clients from all over the world, including the US, Canada and Ukraine. She is proud of her networking skills but says that sometimes, as a woman, it can be more difficult: "When I started, networking was difficult because you don't get attention in the right way. My whole career in finance was male dominated and it was tough being in a minority."

Perry has taken the brave step to use her experience, both as a woman, and of dealing with depression, to positive ends: "I decided to set up a women's networking group and I have also developed a sense of who to talk to or not. I'm very selective with whom I network."

She also feels that understanding yourself is important: "People should be themselves, and play

to their strengths. I shouldn't pretend not to be myself and hide what's happened to me in my life. If you're multifaceted, it's important you're using all of those skills. Training to be a chartered accountant doesn't limit you to a finance job; the skills are transferable to any industry and many different types of roles."

In addition to her all-women networking group, Perry also founded a 'mixed-mastermind' group: "I wanted to have a complete offering for my clients. With this network, I can help connect business and property owners with trailblazers from across every industry. And I'm keen to make this fun."

When Perry set about starting her own practice, she had the huge comfort of having a mentor: "I knew I'd have my dad as a mentor - and it's important to have one when you're doing accountancy." It's something that she is set to incorporate into her own business. "I want to mentor accountancy students through their qualification when they are in need of some guidance or experience," she explains "I'll also look to show people who are thinking about the profession - but haven't started - what they might expect from the industry."

Whether it's mentoring or networking, Perry firmly believes in having a strong business community, with physical meet-ups. This is a concept that she believes needs to be kept alive even as businesses move online and into the cloud, and people might be more reluctant to actually meet in person.

FREE AS A BIRD

I met Perry in one of her most frequent meeting venues - a local coffee shop. "I thought I'd end up behind a laptop at home but I couldn't have been more wrong," she says. "I usually end up working remotely, in coffee shops or hot-desking."

We meet in the north London suburb of Edgware on a cold Monday morning in October, a far cry from LA. So would Perry ever consider moving back to warmer climes? "As an accountant, you can be anywhere - the ACA qualification is a gateway to so many things and it's given me the foundations to set up my own practice. The main thing keeping me here at the moment is the two networking groups - and my father and my cats."

Perry has plans to set up a commercialised version of the groups at some point later this year and wants to take it across the pond too. "The dream is to replicate that in California and spend my time between the two places. Accountancy isn't what it used to be; often clients don't even want to meet due to time constraints - technology means you can work from anywhere." ■

Playing with numbers



Thanks to the rise in digital music consumption, the music industry has started to grow after more than a decade of slowdown. In such a revolutionary time to be in the industry, Jessica Fino speaks to the accountants taking care of its finances

“Plan A was to be a rock star, plan B was to be an accountant,” says Craig Williams, co-founder of Zen Chartered Accountants and Ton Media Cyf, and former chair of the ICAEW media and entertainment group.

“When I knew I wasn’t going to make it as a rock star, I decided I still had to work in the music industry.”

Twenty years after leaving his punk rock band, Williams now works with artists such as Leona Lewis and DJ Naughty Boy, and plays classical guitar in his spare time.

While Snooky Grubb, finance manager at the independent record label Mute, confesses she has “no music talent whatsoever”, using her numerical skills was a way of working in an industry she couldn’t otherwise have touched.

“I am good with numbers, that’s how my brain works. So I thought, if I was going to work in finance, I was going to be in an industry that I find fascinating and that I have a passion for,” she says.

The music industry is not without its challenges. With the surge of companies like YouTube, Spotify and Apple Music, it is at the forefront of the digital revolution, and the way people consume music has dramatically changed.

“The industry is unrecognisable,” says Williams. “It is harder in a lot of

respects to make a living in it.”

But, from a musician’s point of view, it’s not all bad news and technological changes have made it easier to access.

“In the old days an artist couldn’t afford to go into a studio without a record deal. These days, with technology, bands don’t need much funding to record a releasable-quality album,” Williams says.

According to the International Federation of the Phonographic Industry (IFPI), digital music revenues contributed 45% of the industry total revenues in 2015, against physical sales’ 39% share, while global industry revenues grew 3.2% to \$15bn (£11.9bn), the first significant year-on-year growth in nearly two decades.

But the IFPI also said that the rise in streaming services has led to a reduction in fair remuneration to artists and record labels.

To an accountant, the numbers are tight. Jonathan Ford, a director at PwC, said: “The major threat to the music industry nowadays is how to get revenues.” Ford, who works with more than 20 media clients across Europe, the US and Canada, from global music companies to start-ups, says it is increasingly difficult for artists to make a living out of their music due to the rise of streaming.

\$15bn

global revenue of the music industry, a significant 3.2% increase from last year

45%

of total industry revenue in 2015 was contributed by digital music revenue

Against the stream

Jordan Bentley followed in his mother's footsteps. She was the PA of rock band Status Quo, and he used his ACA qualification as a stepping stone into the music industry.

After starting his career as an audit trainee for Smith & Williamson three years ago, Bentley today works as a digital finance manager at Warner Music International, where he says the clients are "more vibrant, quirky and relaxed". He now works mainly with digital brands, including Spotify, Apple and Deezer.

The biggest draw to the music industry for him is being able to go to work every day in a casual shirt/t-shirt and chinos instead of a suit.

"Everyone you work with is friendly and down-to-earth, and being in such a diverse working environment makes every day truly unpredictable."

Bentley manages the worldwide

digital sales function of Warner, which includes any type of digital sale of music, be it streaming or download.

"But I don't do any bookkeeping or accounting; it's a commercial and operations based role. This means processing as well as queries and analysis required from the accounting team, royalty auditors or even the artists themselves.

"We deal with huge amounts of data so it's a very challenging role. Whenever anyone in the world streams a Warner Music track on Spotify, it'll be coming through my team."

He tells me that for the company's last annual work event the atrium of the office got turned into a concert hall, and Jess Glynne and Busted came to perform. "And yes, Busted did play Year 3000," he says.

"We also get free concert tickets



raffled out to staff, and artists occasionally come into the recording studio we have in our office, so there are always chances to meet them. A few months ago, Micky Dolenz (above) from The Monkees visited our office and made us all cocktails."

So what's the best thing about working at Warner? "Everything from the staff benefits through to the events and management attitudes.

"It's a completely different world to what most people imagine accountancy to be."



According to the IFPI, the "value gap" - the disparity between the growing consumption of music and the revenues that are returned to rights holders - is the biggest constraint to growth for artists and record labels.

A group of 180 artists, including Taylor Swift, Lady Gaga and Paul McCartney, took a stance against YouTube last year, signing an open letter to the US Congress calling for reform of the Digital Millennium Copyright Act.

They said in the letter that the US copyright law has "allowed major tech companies to grow and generate huge profits", while songwriters and artists' earnings "continue to diminish".

But Macquarie analysts have predicted that global recorded revenues will double over the next decade to \$30bn, with streaming growing to 80% of the market by 2025.

Grubb says labels will need to adapt and learn to work with the different ways people are listening to their music.

But while record labels are affected by the marketplace changes, Grubb says, adapting to new technologies shouldn't change the fundamental values, or the ways in which labels conduct their business.

"We are spending our time and effort developing the music that we and the artists want to create. We are not thinking about the technology software, we are still thinking about creating powerful music," she explains.

Chris Wilson, a finance manager in the global new business division at Universal Music Group, says music has retained its "incredible ability" to reach the individual and the masses, which is "another reason why global brands in all sectors look to it for business and audience engagement solutions".

Universal has already seen its first virtual reality music experiences, a "really exciting" new content strand that gives fans and artists a new way to share and experience music.

And accountants are on the front

line. Natalie Whyte, head of finance in the Royal Opera House fundraising department, fights every day to make sure the historical performance venue secures enough money to continue supporting artists.

“It is an exciting job because no year is ever the same. New productions create new fundraising opportunities so the year always passes very quickly.”

So how, after training to be a chartered accountant and working in real estate at EY, do you end up in music fundraising?

Whyte says that being able to adapt easily to such a different sector is one of the “key strengths of the ACA qualification”.

But what other skills do you need to get by as an accountant in such a creative sector? For Williams, the ability to “be able to work with a lack of sleep” helps.

“You also have to be prepared for imperfection. A lot of accountants who deal with unconventional businesses struggle because they

don’t get 100% of the information they’re looking for, you have to do the best with what you’re given.”

Grubb says accountants need “patience and understanding” to be able to work with artists.

“You are working with people that look at the world in a different way. You have to understand when something is right for them even when from a financial point of view it doesn’t make sense.”

For Wilson, the skills he picked up during his ACA qualification are a crucial factor in his success in such a challenging industry.

“Accountants aren’t just the scorekeepers in the music industry, we are relied on to make sure that every deal we do is commercially viable and that we get the most for our artists and labels.

“There are a lot of stakeholders in our business, so we have to keep everyone happy, for example making sure publishers are being paid the right rates, royalties are collected and paid, and crucially that our artists are

getting paid. Without them we wouldn’t be here.”

But, it wouldn’t be showbusiness without a few perks. Williams looks back on his early years in the industry when, he says, he went out almost every night of the week.

“I went around the world with artists and looked after them, so I would be in different countries every weekend for several years.”

For Ford, it’s the atmosphere in the office and the relationship with his clients that makes the music industry such a positive place to work.

“It’s fun and we do have a good and relaxed relationship with our clients,” he says.

Although it might seem like the most obvious draw, Grubb says, going to concerts isn’t so much a perk as an extension of the office.

“If you don’t want to go out and see bands, why are you in the music industry? It is kind of a perk but it’s also a part of your job.

“The real perk is working in an industry I really like and enjoy.” ■

“You are working with people that look at the world in a different way from you because they are looking from a creative point of view”





Reverse mentoring

Businesses are turning the tables on hierarchy and matching up senior members of staff with their younger employees, Xenia Taliotis finds out more

In the 2015 film *The Intern*, an ageing retired executive played by Robert de Niro returns to work and is assigned to Anne Hathaway's much younger e-commerce CEO. Both have a lot to learn from each other and the resulting story sees reverse mentoring given the Hollywood treatment.

Good companies have always recognised the value of mentoring, of pairing younger members of staff with older more experienced people who can pass on skills and induct them into the company's culture, but the best organisations are now reversing the model and asking younger recruits to mentor their seniors. Originally popularised by Jack Welch when he was CEO of

General Electric, reverse mentoring builds confidence in both mentors and mentees, bridges the gap between the generations and establishes strong relationships that can only benefit the business.

Companies such as Hewlett Packard, Cisco, Ogilvy and Mather and Tesco have introduced their own models, as have many accountancy practices, including PwC and EY. EY's programme puts junior female employees in the mentoring seat to help propel them into leadership positions.

Daniel Garcia, managing partner at London-based accountancy firm Adler Shine, has introduced an informally structured model to fill the skills gap in his senior accountants'

technological knowledge. "It's such an obvious win-win, that I wonder why we didn't start doing it years ago. On the one hand we had a team of people in their twenties who had grown up with technology and were completely au fait with it, and on the other we had our seniors, some of whom were clinging onto their spreadsheets for dear life."

Garcia says the process started happening organically, with the younger accountants stepping in to show the older ones how to use new technology. "It's still quite informal, but there is a loose pairing of people - Craig Hopkinson, for instance, who is our youngest and most newly appointed partner, has been working closely with Stuart Rosenberg, one of

“We have to compete with other firms for the best new talent. We can’t do that if we cling on to old-school practices”

our most experienced partners, and that’s going really well. The chemistry has to be right, and there has to be a shared purpose; Craig and Stuart definitely have that because they’re both committed to the firm’s technological advancement.”

One of the greatest benefits of reverse mentoring is that everyone involved gains from the experience - the mentees from having an in-house adviser to whom they can turn as and when problems arise, the mentors from receiving a boost to their confidence and having an added investment in the firm, and the business from helping staff build stronger relationships, increasing its in-house expertise and saving on costly external training.

Another benefit is that it bridges the generational divide. According to research commissioned by Ricoh in 2015, nearly 63% of older employees in the UK and Ireland expect workplace issues to increase with the arrival of millennials into their companies. Reverse mentoring is an effective way of easing such tensions.

In addition, says Garcia, it presents a forward-looking image of the company not only to clients but also to potential new employees.

“Accountancy is hugely competitive and the competition is a two-way street. We have to compete with other firms for the best new talent each year.

“We can’t do that if we’re clinging on to old-school practices, or if we’re not giving opportunities to new recruits to make a significant and meaningful contribution to our firm.

“Reverse mentoring is a good way of giving juniors a voice and of strengthening their leadership skills, which is essential for our succession planning.” ■

A perfect pair



Craig Hopkinson, 30, partner and head of business process outsourcing division, Adler Shine

“When I joined in 2009 the firm seemed quite archaic. Everything was being done manually, which was holding us back. I started talking to the partners about how we could update our technology and gradually I took on more and more responsibility for our IT infrastructure. I’m sure my understanding of Xero was my route to partnership.

“My relationship with Stuart is based on mutual respect and having a common purpose. We both want to offer our clients the best service, to add value and to help the firm deliver more, and that can only happen if we use technology to the max. Stuart is very receptive. He’s from an IT background and has always been keen to learn so I don’t feel I’m pushing him into doing something he doesn’t want to do. Technology moves so quickly. I think I’m completely up to speed with it and yet I already see a gap opening up between me and one of the juniors, who is five years younger than I am, so it probably won’t be long before I’ll need some reverse mentoring.”



Stuart Rosenberg, 56, partner, Adler Shine

“Craig has had a very different life experience to mine. Though I am quite technologically advanced, particularly for a man of my generation, he has grown up with IT and understands its potential and how to use it on a much deeper level. In some respects reverse mentoring does what all mentoring does, it challenges and helps the mentee to learn and to see things in new ways, and that’s what is happening in my relationship with Craig. I feel quite empowered by what he is teaching me, and I actually love the energy that our juniors bring to the firm. They push the boundaries, push us to achieve more, and to approach things differently, which is a good thing.

“I don’t always see eye-to-eye with what Craig’s proposing, but I am always open and receptive to what he says. Certainly he is helping me embrace change, helping me learn and to develop. And I also hope he is learning something from me - perhaps that some old dogs do want to learn new tricks.”

Sole society

No longer just reserved for PE class, a high-fashion rebrand has seen trainers catapulted from treadmill to red carpet. Sinead Moore charts their rise

Featured everywhere from the gym, to the high street, to the runway, to the red carpet; trainers have transitioned from being the recreational footwear of the elite, to a streetwear staple, to a firm favourite in the designer market.

Helped along by years of celebrity endorsement, recent designer collaborations, the increasing importance of physical fitness and shifting perceptions about dress codes and societal norms, trainers are now a lifestyle choice, the ultimate statement of personal style and identity.

This year, women's trainers outsold high heels for the first time in the UK. According to new research by Mintel, 37% of UK women who bought footwear in the last year bought trainers, compared to 33% who bought shoes with a heel.

Tamara Sender, senior fashion analyst at Mintel, said: "The UK sportswear market has seen strong growth in the last year and there has



TRAINER TRENDS THROUGH TIME



1839

The first ever trainer, or rather plimsoll, is developed by **Charles Goodyear** following his advancements in developing rubber into a durable material.

1916

United States Rubber Company released Keds, the first mass-produced athletic shoe, later

marketed as a "sneaker." The

Converse Chuck Taylor All Star soon followed.



1936

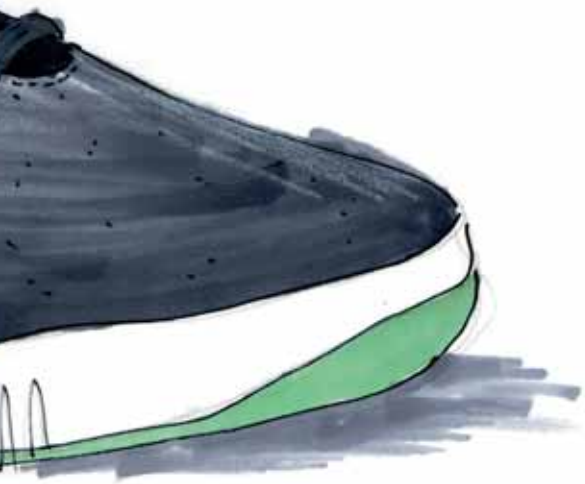
Jessie Owens won gold at the Berlin Olympics in a pair of early Adidas shoes. Later, The West German Football team wore Puma's first boot, the Atom, in 1948.

James Dean was seen wearing trainers in *Rebel Without a Cause*. Trainers had made their way into the mainstream, becoming the footwear of choice for teenagers.



1950s

37% of UK women who bought footwear in the last year bought trainers



been a trend for consumers to integrate sports clothing into their daily wardrobes, meaning trainers have also become more popular among women. Athletic footwear is increasingly being used for everyday non-sporting activities.”

Sender added that women aged 35 to 44 have become the main trainer buyers, proving the trend is no longer limited to younger consumers.

This change in culture has perhaps been most evident on the runway with designers ditching high heels, which were until recently an essential part of the high fashion uniform, in favour of flat, sportier shapes.

Phoebe Philo, creative director of French fashion house Celine, was an early adopter of trainer culture and a dedicated trailblazer. She wore Adidas Stan Smith’s to take her bow at the end of her AW11 catwalk - catapulting them to cult status and prompting throngs of copycats.

Karl Lagerfeld defied the status quo once again when he teamed ballgowns with Chanel trainers on his Chanel haute couture catwalk in 2014.

And this autumn even more designers including DKNY, Tommy Hilfiger and Michael Kors paired trainers with elegant suits, work dresses and evening wear during fashion month, cementing the trainer’s status as appropriately fashionable footwear, regardless of gender.

Although not an entirely new juxtaposition, it has become increasingly popular, and is now



1964

Stan Smith, winner of two Grand Slam titles, was also the name behind the first leather tennis shoes from Adidas. They are still the brand’s best-selling shoe of all time.

1971

Blue Ribbon Sports became known as Nike in the early 1960s and the **iconic swoosh logo** was created in 1971.



1990s



2000-10s

Nike’s first ever non-athlete collaboration, The **Nike Air Yeezy** (above), marked the rise of the fashion trainer. The popularity of athleisure wear also led Adidas to re-release the Stan Smith in collaboration with **Raf Simons**.



Despite first hitting shelves in 1966, **Vans** crossed over to the mainstream in the 90s.

firmly embedded in the wardrobes of every age and class from sport enthusiast teens to working professionals.

Even Victoria Beckham jumped on the bandwagon, stepping out in Adidas Superstars before her AW16 show.

Alexander Wang and Kanye West both collaborated with Adidas at New York fashion week, further securing the brand's position in the world of fashion and pushing the boundaries of design when it comes to trainers.

Such bold and experimental designs and collaborations have given men an outlet to express their individuality and style, diversifying the fashion industry's once limited idea of masculinity.

However, despite their enduring style and ever increasing popularity, the question still remains; will trainers ever be smart enough for the office?

Well, if they're posh enough for Posh... ■



YOU ARE WHAT YOU WEAR

While more and more businesses are relaxing their dress codes (particularly in creative sectors), there remains a line between professional expectations of attire among colleagues and clients, and personal style and the representation of values.

This can understandably leave employees in a quandary – if there is no specific dress code, how do you know you're wearing the appropriate attire for work? This is especially true when you're starting out in your career or joining a new sector and work environment, and it's no longer the norm to put on a suit. We've got some top tips for you.

Do your research

Sometime's it's good to stand out, but there is nothing worse than turning up and sticking out like a sore thumb unintentionally, because your style doesn't match everybody else's. When going to a new office, or preparing for client or site visits, it is always best to find out the dress code of the organisation and dress accordingly. To begin with, it is better to be slightly smarter than the norm, rather than slightly more casual, so incorporate this when you're considering your wardrobe.

Think about your personal brand

How we dress is an extension of how we want to be perceived by our peers and superiors in the workplace. There is scope to show your personality through how you dress. However, if your style ideology does not naturally fit with the company, difficulties can arise. Dress codes are often set from the top, so if you want to do well in that company, you'll need to adhere to certain rules. While it's OK to put a personal spin on how you dress, make sure you don't push the boundaries too far, as it could reflect negatively.

It's not all about attire

According to ACAS, dress codes can also extend to tattoos. Whether it's openly displaying artwork or taking out piercings, consider how this fits in with the culture and how this ties in with how you want to be seen in the workplace.

CABA provides free independent support for ACA students and chartered accountants. For more information and tips on wellbeing in the workplace visit caba.org.uk

Sneaker look

Such is the enduring appeal of the humble trainer, the American Federation of Arts and the Bata Shoe Museum have organised the first exhibition – Out of the Box: The Rise of Sneaker Culture – chronicling the evolution of trainers, with a collection of almost 150 trainers, from the 1830s to today, as well as photographs, film footage and illustrations.

The exhibition explores the social history, technical innovations, fashion trends and marketing campaigns that have helped to shape trainer culture since the footwear's origin in the mid-19th century.



GETTY, CHRISTIAN LOUBOUTIN ROLLE-BOAT, 2012, COLLECTION OF THE BATA SHOE MUSEUM, GIFT OF CHRISTIAN LOUBOUTIN, PIERRE HARDY POWORAMA, 2011, GIFT OF PIERRE HARDY, PHOTOS: RON WOOD, COURTESY AMERICAN FEDERATION OF ARTS/BATA SHOE MUSEUM

New year *wishlist*

Cold days, long nights and new starts. Whether you want to hide away or get out this January we've got some smart ideas for you



KNITWEAR

Kennedy cashmere roll neck in Navy
Whistles, £180



FITNESS

Textured foam roller
Nike, £30



BOOTS

Elvissa Roble boots
Veras, £135



WATCH

Women's two-hand watch
C33, £325



STATIONERY

Journal
Katie Leamon, £10



TECH

Cardboard smartphone projector
Waterstones, £15.99



MUG

Mountain mug
Urban Outfitters, £9



INTERIORS

Splatter cushion
Habitat, £30



MENSWEAR

Merino jumper
Cos, £59

Great standing



Angel, third from left, on the TV show *Who's Still Standing?*

Angel (Yu) Zhong is an audit manager at Deloitte, on secondment in Shanghai. This year alone she was the leading MC of the Deloitte Eastern China 2016 Annual Dinner, and was a contestant on famous Chinese TV show *Who's Still Standing?*

My friend recommended me for the show. She sent the application form for *Who's Still Standing?* The candidates are chosen to represent a variety of backgrounds. So there could be a personal trainer competing against a beauty queen, for example.

I was chosen as a strong independent woman, with the ACA qualification and a background of working in the UK. That's still something quite unique in China.

Who's Still Standing? is a general knowledge quiz. Contestants take it in turn to participate. I was the first to be selected and managed to defeat the three other candidates. After that, the winner then chooses to continue with the show, or take their winnings. I cautiously chose to cease the game after the first stage.

I'm the youngest to take up the secondment for Deloitte. Every two years Deloitte sends a manager to Shanghai to co-ordinate the Asia Pacific business and our top clients. My predecessors have all had four or five more years experience than I did.

I was selected for the secondment because I am a Mandarin speaker, and already enjoyed building up Asia Pacific networks while working for Deloitte in the UK. By the time I came to Shanghai I was already a manager - this role was recommended by my senior manager.

I have another six months of my secondment, but I would like to extend it for at least another year if possible. There are so many things to learn and the clients I am currently serving are regional CFOs. It's really

"I was chosen as an independent woman who has the ACA"

good exposure and a good experience for me.

I am the leading MC of the annual dinner for the Eastern China region, hosting up to 3,000 people. It taught me to be confident and come up with ideas quickly. Lots of problems arose during the night and I had to ensure everything went smoothly.

I hadn't been working in China for very long when I hosted the dinner and there were lots of people there, so it was a great networking opportunity. ■

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Member savings	£4,095.00
Revised on the road price	£31,160.00
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Interest charges	£4,389.37
Total amount payable	£35,549.37
Duration of agreement (months)	37
Fixed rate of interest (per annum)	3.55%
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*Finance subject to status. Retail sales only. Subject to availability at participating dealers only on vehicles registered by 31st December 2016. At the end of the agreement there are 3 options: (i) Part exchange the vehicle, (ii) Pay the Optional Final Payment to own the vehicle or (iii) Return the vehicle. Further charges may be made subject to the condition or mileage of the vehicle. Terms and conditions apply. Applicants must be 18 or over. Guarantee/Indemnity may be required. Volvo Car Credit, RH1 1SR. The service offer is only applicable when purchasing on Volvo Advantage Personal Contract Purchase on vehicles ordered between 1st October 2016 and 31st December 2016. Services must be carried out at a Volvo Authorised Repairer. Retail offer only. Excludes fleet operators and business users. See volvocars.co.uk for full terms and conditions.