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MICHELLE ROACH CPA
COMMERCIAL MANAGER
ASHTON COAL OPERATIONS
The CPA Program’s practical experience requirement provides you the opportunity to apply the knowledge and skills gained in your studies at work. You will be able to develop and demonstrate highly sought after technical skills and further develop the interpersonal skills essential to your career. You should start the practical experience requirement and the professional level segments at the same time, if you are employed in a relevant role. Starting your practical experience requirement means that you are one step closer to your goal of becoming a CPA.

What are the requirements?
- complete a minimum of three years’ relevant full-time work experience or equivalent part-time work
- demonstrate competence in 16 skills (personal effectiveness, leadership, business and technical) to a CPA, FCPA or equivalent full member of an International Federation of Accountants (IFAC) member body

What do I have to do?
- find out if your role is relevant
- use the Where do you fit? section to find out the best method for you to meet the requirements
- read the rules and regulations available at cpaustralia.com.au/rules

Did you know?
Our studies show that members consistently perform better in their segments when they are enrolled in the practical experience requirement.

JULIE O’BRIEN CPA
SENIOR ADVISOR
QUEENSLAND TREASURY CORPORATION
How to identify if your role is relevant

A relevant role is an accounting role, finance role or a professional role with financial responsibilities. Your role is relevant if you are able to demonstrate at least one technical skill. The list of responsibilities in the table below will help you gain a better understanding of which area of work might be relevant for you.

Follow the steps to find one or more technical skills that you will be able to demonstrate.

1. Think about the tasks you perform in your role.

2. Look for similarities between what you do in your role and the responsibilities in the table below.

3. If you find similarities you should be able to demonstrate at least one technical skill from that area of work. The skills guide section will give you examples of tasks you perform to demonstrate your competence in the skill.

4. If your role is relevant, go to the Where do you fit section to find out the next steps.

Did you know?
A voluntary role can be relevant as long as it is an accounting role, finance role or a professional role with financial responsibilities. Volunteering is a great way to gain valuable experience that can help you get started in your career and employed in a relevant role.

<table>
<thead>
<tr>
<th>Area of work</th>
<th>Responsibilities include:</th>
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</thead>
<tbody>
<tr>
<td>Auditing</td>
<td>• working in an audit team for a public practice, corporate enterprise or a government organisation</td>
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<tr>
<td></td>
<td>• working as part of a team to undertake audits of financial statements, performance audits, internal audits or external audits</td>
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<td></td>
<td>• undertaking forensic accounting</td>
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<td></td>
<td>• undertaking audit analytical review procedures</td>
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<tr>
<td></td>
<td>• teaching audit at a tertiary level</td>
</tr>
<tr>
<td>Financial Accounting</td>
<td>• recording and reporting on the financial activities of an organisation, including maintaining lease and fixed assets register, reconciliation of general ledger balance sheet accounts and bank reconciliations and maintaining cash management and group treasury system</td>
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<tr>
<td></td>
<td>• analysing financial statements</td>
</tr>
<tr>
<td></td>
<td>• preparing and reporting profit and loss, balance sheet and cash flow statements</td>
</tr>
<tr>
<td></td>
<td>• preparing financial statements according to accounting standards and ensuring compliance with audit, taxation and other regulations</td>
</tr>
<tr>
<td></td>
<td>• preparing special purpose financial reports</td>
</tr>
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<td></td>
<td>• improving business reporting systems and processes</td>
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<td></td>
<td>• teaching financial accounting at a tertiary level</td>
</tr>
<tr>
<td>Financial Planning</td>
<td>• advising on wealth creation, lifestyle and retirement planning, insurance and estate planning</td>
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<td></td>
<td>• developing statements of advice for clients</td>
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<tr>
<td></td>
<td>• implementing recommendations</td>
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<td></td>
<td>• completing client reports and reviews</td>
</tr>
<tr>
<td></td>
<td>• providing and implementing advice on self-managed superannuation funds</td>
</tr>
<tr>
<td></td>
<td>• teaching financial planning at a tertiary level</td>
</tr>
<tr>
<td>Area of work</td>
<td>Responsibilities include:</td>
</tr>
<tr>
<td>----------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
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</tbody>
</table>
| **Financial Risk Management** | • managing all types of financial risk, including use of derivatives  
• participating in designing an appropriate risk policy  
• ensuring compliance with risk policy  
• maintaining risk monitoring and reporting systems and controls  
• ensuring compliance with licences, regulatory, industry and organisational policies and industry best practice  
• undertaking risk analytics, risk operations and risk advisory services  
• preparing financial and cash flow plans for the organisation, including capital budgets  
• advising on appropriate decisions to make within an established risk policy framework  
• teaching financial risk management at a tertiary level |
| **Insolvency**       | • working as part of a team to assist in voluntary administrations, liquidations and receiverships  
• working as part of a team undertaking investigations and other advisory engagements  
• collecting and compiling information for financial assessments  
• teaching insolvency at a tertiary level |
| **Management Accounting** | • designing performance management tools and systems, including activity based costing, target costing, strategic costs and profit management  
• contributing to and reporting on performance measurement and organisational strategies  
• evaluating projects, including providing financial information and analysis  
• monitoring internal financial performance  
• preparing and analysing budgets, forecasts and variance reports  
• analysing historical and forecast data  
• providing information for and analysing investment evaluation  
• providing information used for planning and decision making  
• undertaking business analysis, including benchmarking, competitor and ratio analysis  
• teaching management accounting at a tertiary level |
| **Taxation**         | • developing taxation strategies  
• calculating and advising on taxation liability  
• completing income taxation returns for private individuals, partnerships, companies and trusts  
• advising on taxation efficient business decisions  
• preparing and analysing financial statements for submission to taxation authorities for individuals, companies, partnerships, trusts and self-managed superannuation funds for clients  
• preparing indirect taxation returns for lodgment with relevant government authorities  
• teaching taxation at a tertiary level |
Where do you fit?

Use one or more of the methods outlined below to complete your practical experience requirements. You can change the way you demonstrate the requirements if your work circumstances change.

**Do you have six months or more professional work experience?**

You can apply for Recognition of Professional Experience to satisfy all, or part, of the practical experience requirement. Your work experience needs to be relevant and completed within the last eight years. Full members of an IFAC member body can also apply.

**Next steps**
2. If you have any time or skill requirements left to complete we recommend that you enrol in the practical experience requirement.

**Are you currently employed in a relevant role?**

You can enrol any time, but there are many advantages to enrolling as soon as possible. Not only will you advance to CPA status sooner, our studies show that candidates perform better in their segments when enrolled with a mentor.

**Next steps**
1. Find a CPA, FCPA or equivalent full member of an IFAC member body to be your mentor.
4. Inform CPA Australia if you change employer, mentor or if you complete the requirements by submitting the update or complete form.

**Do you work for a Recognised Employer Partner?**

You can enrol with a Recognised Employer Partner and you will satisfy the practical experience requirements while taking part in your employer's professional development program. A full list of Recognised Employer Partners is available at [cpaaustralia.com.au/employerpartners](http://cpaaustralia.com.au/employerpartners)

**Next steps**
2. Participate in the professional development program provided by your employer.
3. Inform CPA Australia if you change employer or if you complete your time requirement by submitting the update or complete form.

For more information, please visit [cpaaustralia.com.au/experience](http://cpaaustralia.com.au/experience)
What skills areas do you need to demonstrate?

During your three-year practical experience requirement, you will need to demonstrate competence in four skills in each of the personal effectiveness, leadership, business and technical skill areas.

For the technical skill area you only need to demonstrate any four of the 28 skills. You need to demonstrate 16 skills in total to complete the practical experience requirement.

<table>
<thead>
<tr>
<th>Skill Area</th>
<th>Skill</th>
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<tbody>
<tr>
<td>Personal effectiveness</td>
<td>PER1 Demonstrating professional self awareness</td>
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<td></td>
<td>PER2 Building relationships and interpersonal skills</td>
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<td></td>
<td>PER3 Communicating effectively in the workplace</td>
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<td></td>
<td>PER4 Applying critical analysis and professional judgment</td>
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<tr>
<td>Leadership</td>
<td>LEA1 Embracing ethics and good governance</td>
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<tr>
<td></td>
<td>LEA2 Embracing diversity</td>
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<td></td>
<td>LEA3 Planning and innovative thinking</td>
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<td></td>
<td>LEA4 Problem solving and decision making</td>
</tr>
<tr>
<td>Business</td>
<td>BUS1 Understanding the regulatory environment</td>
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<td></td>
<td>BUS2 Using technology for business</td>
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<tr>
<td>Technical Audit</td>
<td>AUD1 Planning an audit</td>
</tr>
<tr>
<td>Technical Accounting</td>
<td>FAC1 Determining financial reporting requirements</td>
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<tr>
<td></td>
<td>FAC2 Processing recorded financial information</td>
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<tr>
<td></td>
<td>FAC3 Preparing financial statements</td>
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<tr>
<td></td>
<td>FAC4 Ensuring financial information is reliable</td>
</tr>
<tr>
<td>Financial Planning</td>
<td>FPL1 Determining the financial expectations and goals of a client</td>
</tr>
<tr>
<td></td>
<td>FPL2 Developing a financial plan</td>
</tr>
<tr>
<td>Technical Audit</td>
<td>AUD2 Performing an audit</td>
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<td></td>
<td>AUD3 Promoting audit awareness</td>
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<td></td>
<td>AUD4 Participating in audit control and improvement</td>
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<tr>
<td>Financial Risk</td>
<td>FRM1 Establishing financial objectives</td>
</tr>
<tr>
<td>Management</td>
<td>MAN1 Contributing to the operational strategy</td>
</tr>
<tr>
<td>Technical Audit</td>
<td>FRM2 Monitoring the financing operations</td>
</tr>
<tr>
<td>Insolvency</td>
<td>INS1 Assessing a financial position</td>
</tr>
<tr>
<td>Technical Audit</td>
<td>FRM3 Managing financial risk</td>
</tr>
<tr>
<td>Technical Accounting</td>
<td>INS2 Identifying options for those facing insolvency</td>
</tr>
<tr>
<td>Technical Audit</td>
<td>FRM4 Developing financial risk control systems</td>
</tr>
<tr>
<td>Technical Audit</td>
<td>INS3 Managing a reconstruction</td>
</tr>
<tr>
<td>Technical Audit</td>
<td>INS4 Liquidating a company</td>
</tr>
<tr>
<td>Financial Planning</td>
<td>Technical Management</td>
</tr>
<tr>
<td>Technical Audit</td>
<td>MAN1 Contributing to the operational strategy</td>
</tr>
<tr>
<td>Technical Audit</td>
<td>MAN2 Contributing to the design of organisational processes</td>
</tr>
<tr>
<td>Technical Audit</td>
<td>MAN3 Developing performance measurement systems</td>
</tr>
<tr>
<td>Technical Audit</td>
<td>MAN4 Establishing financial control systems</td>
</tr>
<tr>
<td>Technical Audit</td>
<td>TAX1 Determining the taxation position</td>
</tr>
<tr>
<td>Technical Audit</td>
<td>TAX2 Demonstrating effective taxation planning</td>
</tr>
<tr>
<td>Technical Audit</td>
<td>TAX3 Promoting the awareness of taxation matters</td>
</tr>
<tr>
<td>Technical Audit</td>
<td>TAX4 Acting as a representative for taxation matters</td>
</tr>
</tbody>
</table>
What is mentoring?

Mentoring is a relationship between a less experienced person, called a mentee, and a more experienced person known as a mentor. The mentor willingly passes their knowledge to the mentee. Mentoring gives both the mentee and mentor the opportunity to share experiences and to develop skills that will benefit them professionally and personally.

Why is it important?

The objective of the practical experience requirement is to ensure that all CPAs have the knowledge, skills, values, ethics and attitudes required to be able to perform their work with professional competence. A mentoring relationship helps ensure that you receive guidance and assistance to develop and demonstrate the skills required to advance to CPA status.

There are many benefits you will gain from being involved in a mentoring relationship. You will:

- receive knowledge and insights from a more experienced individual
- be able to develop a career strategy, identify areas for professional growth and address your areas for improvement
- document and record your practical skills and technical knowledge and use this to build and expand your curriculum vitae or resume
- enhance your career opportunities by expanding your professional business contacts
- increase your knowledge of the organisational culture, structure and processes of your workplace
- improve your performance in your CPA Program studies

For more information on mentoring, please visit the Mentor Corner at cpaustralia.com.au/mentorcorner

Important stages in your mentoring relationship

Stage 1

Establishing your relationship
1. Make sure you are aware of all the requirements so that you can explain them to your mentor.
2. Organise to meet and get to know each other better. During this meeting you should develop a mentoring plan with your mentor.
3. Your mentoring plan should address your expectations, roles and responsibilities and a schedule that you both agree on. This is not compulsory but it will help you establish the relationship with your mentor.

Stage 2

Developing your relationship
1. Schedule meetings or time with your mentor in advance and ensure the setting and frequency of the meetings are appropriate for both of you. We recommend you meet for an hour each month.
2. Make sure you provide a brief agenda to your mentor before each meeting. The agenda should include what you are going to discuss and any questions you might have. This will ensure that each meeting has a clear purpose.
3. Be proactive about your role in the relationship. You should not wait for your mentor to make contact.
4. Communicate with your mentor for a minimum of 10 hours per year.
Stage 3

Demonstrating your skills
1. Bring or email your logbook to your mentor and together with your mentor decide which skill you will discuss.
2. Use the Situation, Task, Action, Result (STAR) method to discuss one or more examples in the workplace where you demonstrated the skill you have chosen.
3. Your mentor will need to decide whether the example is appropriate, authentic, current and adequate.
4. Record the example you provided in the logbook.
5. Get your mentor to verify that your example demonstrates your competence in the sub-skill by signing the logbook.

Stage 4

Concluding your relationship
1. If you finish your requirements your mentor will need to verify your demonstrated skills in the update or complete form available at cpaustralia.com.au/experience
2. If you change mentor before you complete the requirements, ask your previous mentor to complete the update or complete form to verify what you have achieved during your relationship, available at cpaustralia.com.au/experience
3. You can continue to have a relationship with your mentor once you finish the practical experience requirement.

Remember:
• focus on what you want to achieve
• be proactive and drive the relationship
• take responsibility for the mentoring plan
• share your experiences
• ask for guidance and approach your mentor when you need to
• stay in regular contact

Did you know?
You can use online software to manage your relationship with your mentor. Online mentoring can be an effective option to the more traditional face-to-face method.
How to record your experience in the logbook

You can follow these steps to record your experience:

1. refer to The skills guide section to help you decide which skills you will demonstrate to your mentor
2. use the Situation, Task, Action, Result (STAR) method to discuss your examples
3. record your example in the logbook using the STAR method

We recommend that you treat the logbook as a professional development tool and use it to record the examples discussed with your mentor.

The STAR method is a globally recognised approach to interview questions or address selection criteria in job applications. This means that you will be getting valuable practise using this method when you participate in the practical experience requirement. You can use your examples from your logbook in your curriculum vitae, resume, professional performance reviews or to help you talk about what you have achieved at work.

Discussing and recording your examples helps you to think critically about your work and answer the most difficult interview questions confidently and successfully.

What is the STAR method?

**Situation** – What was the specific situation or setting?

**Task** – What was your role? What was required of you? What was the goal?

**Action** – What action did you take? Explain in steps what your response was to the situation. Show how you used the skill in the situation.

**Result** – What was the result? How did it develop your skills? What was the reaction? What did you learn from this situation?

Example of recording your experience using the STAR method.

### BUS2 Using technology for business

**Situation**

- my business unit started using new software for conference calls and online sessions

**Task**

- I was responsible for developing instructions on how to use the new technology

**Action**

- I had to familiarise myself with the software by watching the instructional videos
- I set up the first meeting for our team using the new software
- I created instructions on how to set up conference calls and online meetings
- I circulated copies of the instructions to the team by email

**Result**

- other team members were able to use the technology effectively
- communication with team members in other offices improved
- I proved my capability to deal with different technology
Use the skills guide to help you demonstrate your skills

The skills guide explains each skill. Following each explanation there are examples of how you can demonstrate your competence in that skill.

The examples are general guidelines of possible ways to demonstrate that you have the skill to perform a task. They are intended to give you a better understanding of the types of tasks you should perform in order to demonstrate that you are competent in the skill. Examples will vary depending on your role and workplace. The skill areas do not refer to the specific legislation of any country and have been designed to be as relevant to your work, wherever that may be.

You can use an example from The skills guide or you can come up with an example with the help of your mentor.

- You do not need to complete all the examples to demonstrate competence.
- Examples do not need to be complex, they need to demonstrate the skill.

It is up to your mentor to decide whether your examples are relevant. An example is relevant if it is:

- appropriate – it demonstrates the skill described in the guide
- authentic – it is your own work
- current – it took place during the mentoring relationship
- adequate – it is enough to verify you are proficient in the skill

If the mentor is satisfied that you have achieved competence in the skill, they should sign and date the relevant skill in the logbook. Some skills may only require one example while others may require several to demonstrate your competence.

When your mentoring relationship ends, your mentor will need to verify what you have achieved in the update or complete form.
Personal effectiveness skills

Personal effectiveness skills develop your communication, interpersonal and self-management skills so that you can improve your personal and professional performance. You must demonstrate all four skills.

Use the STAR method to discuss one or more of the examples for each skill with your mentor.

**PER1**

**Demonstrating professional self awareness**

Competence is demonstrated when you show you are aware of the qualities required of a professional in the workplace. You should be confident in your professional ability, accept responsibility for your work and complete all the tasks required to finish work.

Demonstrate your competence by:

- successfully managing a change in the workplace
- representing the organisation’s core values
- managing your emotions in order to maintain your professionalism
- taking initiative by identifying and solving a problem
- completing training and reviewing your training needs
- requesting assistance when necessary in order to complete a task
- improving your performance by asking your colleagues to evaluate and review your work
- participating in opportunities to update professional and personal skills in order to better meet the requirements of your role

**PER2**

**Building relationships and interpersonal skills**

Competence is demonstrated when you build relationships and communicate with others. You should be able to modify your behaviour when necessary to work with others to meet shared goals and operate effectively in a team environment.

Demonstrate your competence by:

- meeting individual and team goals, tasks, responsibilities and schedules
- modifying your behaviour to work better with others
- establishing business contacts by interacting with others
- working effectively as part of a team
- assisting a colleague achieve their objective or finish a task
- using key contacts and networks to benefit the organisation
- exchanging information with colleagues to support organisational objectives

**PER3**

**Communicating effectively in the workplace**

Competence is demonstrated when you use verbal, written and interpersonal communication skills effectively in the workplace. This means that you can communicate appropriately with colleagues, clients and other key parties. You should be able to adjust your communication style to suit the audience and situation, listen effectively and give and receive advice.

Demonstrate your competence by:

- chairing a meeting or discussion group
- presenting on a topic relevant to your role
- making a significant written or verbal contribution to a meeting
- using appropriate communication styles with people from a different culture
- effectively resolving a conflict or disagreement with a colleague or client
- using your negotiation skills to resolve an issue or problem
- drafting letters, project plans or other documents related to your work

**PER4**

**Applying critical analysis and professional judgement**

Competence is demonstrated when you understand and evaluate issues and make decisions based on your analysis and professional judgement.

Demonstrate your competence by:

- checking that information gathered for analysis is accurate and comprehensive
- evaluating information against set criteria
- interpreting trends, developing options and identifying key issues relating to facts
- making a decision based on the information gathered, ideas generated and evaluation performed
- contributing to written or verbal communication on decisions or proposals
- contributing to business improvements or new processes
Leadership skills

Leadership skills develop your awareness of ethics and governance in the workplace while enhancing your planning and decision making skills, helping you realise your potential as a strategic business leader. You must demonstrate all four skills.

Use the STAR method to discuss one or more of the examples for each skill with your mentor.

**LEA1**

**Embracing ethics and good governance**

Competence is demonstrated when you behave ethically and with personal integrity. You should respect confidentiality, compliance and the ethical obligations of your chosen profession. You should be able to identify the need for good governance and how it can be effectively implemented into an organisation.

Demonstrate your competence by:

- complying with the organisation’s policies and procedures
- applying the code of conduct of an organisation and profession in relevant situations
- making ethical decisions based on honesty, integrity, objectivity and confidentiality
- evaluating whether the resources available for helping you make ethical decisions about corporate governance are appropriate
- contributing to a presentation, meeting or communication on ethical standards

**LEA2**

**Embracing diversity**

Competence is demonstrated when you recognise and readily adapt your behaviour in respect of diversity. Workplace diversity includes the diversity of background, culture, gender, ability, religious beliefs, lifestyle preferences and generational differences.

Demonstrate your competence by:

- adjusting your behaviour to recognise difference
- applying your understanding of differences in communication material
- researching workplace diversity and applying knowledge to appropriate situations
- adjusting your personal behaviour and where appropriate encouraging others to adjust their behaviour, in order for the group to succeed
- attending training or events that broaden your experience and knowledge of diversity

**LEA3**

**Planning and innovative thinking**

Competence is demonstrated when you understand the importance of planning and contributing to improving business plans and processes. You should be able to set challenging goals and objectives and understand how organisational goals relate to personal and team goals.

Demonstrate your competence by:

- contributing to or supporting a new idea, strategy or process
- participating in trend analysis to inform business plans and improvements
- contributing to your performance development plan, outlining goals, objectives and performance measures
- planning and adapting work to achieve personal, team or organisational goals and objectives
- participating in the business planning process
- identifying how a new strategy or process will affect everyday tasks

**LEA4**

**Problem solving and decision making**

Competence is demonstrated when you can contribute to problem solving and decision making by using relevant information and available resources. You should be able to identify issues and recommend potential solutions based on your research.

Demonstrate your competence by:

- identifying problems and issues
- contributing to the resolution of an issue in your organisation
- contributing to written or verbal communication on issues or problems to be solved and the decisions taken to achieve a resolution
- analysing how decisions will affect your work
Business skills

Business skills develop your knowledge and understanding of the business environment so that you can make effective business decisions. You must demonstrate all four skills.

*Use the STAR method to discuss one or more of the examples for each skill with your mentor.*

**BUS1**

**Understanding the regulatory environment**
Competence is demonstrated when you interpret and apply relevant legislation and standards to your work. You should have an understanding of the regulatory environment that affects how the organisation operates.

Demonstrate your competence by:
- applying regulations or professional standards to your work
- contributing to a presentation, meeting or communication about the regulatory standards that apply to professional activities
- explaining how regulations impact the organisation
- applying regulations to complete a task

**BUS2**

**Using technology for business**
Competence is demonstrated when you can use information technology and systems to effectively perform in the workplace. You should be able to use software and technology to manage your work and understand the importance of information technology and information systems controls.

Demonstrate your competence by:
- contributing to managing information technology in an organisation. This may include participating in, organising or conducting induction training, ongoing training, document control, security of information and data or privacy protection
- working with information technology professionals to design a solution to a reporting, recording or financial investigation issue
- using software and applications for communication and collaboration
- contributing to the assessment of associated risks of information technology and systems in the workplace
- contributing to strategies to control risks faced by the organisation because of the use of information technology and systems
- effectively dealing with business and accounting issues by using information technology systems and tools

**BUS3**

**Understanding the business environment**
Competence is demonstrated when you show your understanding of how the domestic and global environment influences the organisation or client’s business. You should be able to understand how local and global market trends affect business and continually expand your knowledge to gain a better understanding of the business environment.

Demonstrate your competence by:
- researching to enhance your understanding of the business environment
- researching factors that influence the business environment
- presenting to or briefing key parties about the business environment
- contributing to strategies and processes for an organisation
- contributing to planning in an organisation

**BUS4**

**Applying business analysis and risk management**
Competence is demonstrated when you understand and apply business analysis tools and skills for risk management. You should be able to identify the level of risk, the different types of risk, how future risk will affect the business and contribute to planning how business can deal with the identified risk.

Demonstrate your competence by:
- researching the factors that influence business and the business environment and how these will affect the business strategy
- contributing to planning how the organisation will respond to risk
- communicating results of business analysis and risk management strategies to key parties
- contributing to a presentation, meeting or communication to inform key parties on business risks
Technical skills

Technical skills develop your practical proficiency and expertise in accounting and finance. You can choose any four skills to demonstrate.

Use the STAR method to discuss one or more of the examples for each skill with your mentor.

Auditing

AUD1

Planning an audit
Competence is demonstrated when you contribute to the various stages of audit planning. You should be able to identify key parties, research and contribute to the preparation of audit proposals, engagement letters and budgets.

Demonstrate your competence by:
- contributing to the preparation of an audit proposal, audit engagement letter and audit budget
- identifying and researching the audit client’s industry and business environment
- contributing to meetings or discussions about the audit plan
- contributing to the briefing of an audit team on audit issues

AUD2

Performing an audit
Competence is demonstrated when you participate in performing an audit.

Demonstrate your competence by:
- following an audit plan under supervision
- participating in selecting appropriate audit methodology
- identifying areas of risk in relation to audit objectives
- contributing to the preparation of a draft audit report
- monitoring and evaluating an audit against objectives
- analysing business and financial risks

AUD3

Promoting audit awareness
Competence is demonstrated when you promote audit awareness within the organisation or with clients. You should have current knowledge of audit standards.

Demonstrate your competence by:
- informing key parties of a technical update by contributing to internal or external communications
- contributing to a presentation on audit issues
- assisting an organisation or client understand audit issues
- applying regulatory changes and audit methodologies to your work
- contributing to a presentation, meeting or communication promoting audit awareness

AUD4

Participating in audit control and improvement
Competence is demonstrated when you participate in the development and maintenance of audit controls and improvements in the audit process.

Demonstrate your competence by:
- contributing to improving the audit process
- contributing to the development of audit controls
- contributing to the maintenance of audit controls
Technical skills

Use the STAR method to discuss one or more of the examples for each skill with your mentor.

Financial Accounting

FAC1

Determining financial reporting requirements
Competence is demonstrated when you contribute to determining the financial reporting requirements of an organisation. You should be able to identify the information requirements of a report user and identify, apply and monitor changes to financial reporting requirements.

Demonstrate your competence by:
- determining the financial statements that are required by an organisation or a client
- applying regulatory requirements when preparing statements
- researching changes to regulations that affect the organisation or client
- researching the financial reporting regulatory environment in the organisation’s or client’s industry
- contributing to a presentation, meeting or communication about reporting requirements

FAC2

Processing recorded financial information
Competence is demonstrated when you process an organisation’s financial information for financial statements.

Demonstrate your competence by:
- processing financial information required for periodic financial statements
- recording and measuring financial information according to accounting standards and regulatory requirements
- contributing to a presentation, meeting or communication that explains how financial information is processed
- operating the relevant computer software the organisation uses to process financial information
- applying the organisation’s policy on expense recognition, asset recognition and depreciation in your work

FAC3

Preparing financial statements
Competence is demonstrated when you prepare an organisation’s draft and final financial statements. Your preparation of financial statements should meet objectives and all regulatory requirements. You should be able to recognise when an expert opinion is required.

Demonstrate your competence by:
- preparing or contributing to the preparation of financial statements
- preparing or contributing to the preparation of consolidated financial statements and disclosure notes
- identifying the impact of the financial statements on stakeholders
- analysing and interpreting financial statements for key parties
- gathering information required to prepare a financial statement
- consolidating financial statements into a formal document for distribution by management
- preparing financial statements in compliance with accounting standards and regulatory requirements
- researching changes to regulations that affect how financial statements are prepared

FAC4

Ensuring financial information is reliable
Competence is demonstrated when you establish the financial information of an organisation is reliable. You should be able to understand systems and assurance processes and assess their effectiveness.

Demonstrate your competence by:
- contributing to a process improvement that makes financial information more reliable
- applying the systems and assurance processes used in an organisation
- testing and monitoring relevant information systems for their effectiveness, including whether they are cost effective, meet reporting needs, are easy to use and are accessible
- preparing reports or other documents that summarise how information systems were tested or monitored for their effectiveness
- analysing the key financial reporting risks of an organisation
- contributing to a presentation, meeting or communication about the effectiveness of systems and assurance processes
Financial Planning

**FPL1**

**Determining the financial expectations and goals of a client**

Competence is demonstrated when you contribute to establishing and defining a client’s financial situation. You should be able to generate and explain strategic options to a client.

Demonstrate your competence by:

- assessing a client’s risk profile
- researching a client’s situation
- contributing to establishing the client’s needs or objectives
- contributing to a presentation, meeting or communication about the client’s situation
- contributing to a meeting with the client about their needs or objectives
- maintaining the client relationship through consistent interaction

**FPL2**

**Developing a financial plan**

Competence is demonstrated when you participate in developing a financial plan.

Demonstrate your competence by:

- contributing to developing a financial plan
- contributing to establishing the scope of potential services to provide to the client
- discussing recommendations on how to implement strategies
- developing a schedule for a financial plan
- researching issues relevant to the development of a financial plan
- contributing to evaluating and presenting a range of options to the client

**FPL3**

**Implementing a financial plan**

Competence is demonstrated when you participate in implementing a financial plan. You should be able to define key assumptions, establish actions, follow client instructions and provide services to a defined standard.

Demonstrate your competence by:

- applying the relevant policy and procedures for implementing financial plans
- conducting analysis and modelling exercises
- developing a schedule that outlines the stages of the implementation of the financial plan
- assisting the client with implementing the recommendations in the financial plan, including preparing a budget, investing in a share portfolio or consolidating superannuation accounts
- corresponding with clients about future action and timeframes
- discussing key strategic assumptions with clients

**FPL4**

**Reviewing a financial plan**

Competence is demonstrated when you participate in reviewing a financial plan. You should be able to monitor performance, propose or implement changes and recognise factors that might affect a financial plan.

Demonstrate your competence by:

- contributing to monitoring and measuring the service performance of a financial plan
- contributing to the implementation of revisions to a financial plan
- monitoring the performance of a financial plan
- corresponding with clients about revisions to the financial plan
Financial Risk Management

**FRM1**

**Establishing financial objectives**

Competence is demonstrated when you participate in establishing the financial objectives and risk strategies for an organisation. You should be able to understand the organisation's financial situation and how the objectives, strategies and business plan will impact the present and projected financial position.

Demonstrate your competence by:

- contributing to establishing financial objectives
- identifying the effects of financial strategies on key parties
- identifying the types of financial risk the organisation is exposed to
- determining the organisation’s attitude to risk
- assessing the effect of external factors on the financial strategies of an organisation
- applying financial models, cash flow and profitability patterns in analysis of financial risk
- contributing to written or verbal communication on financial strategies including critical assumptions
- contributing to risk profiles or financial risk strategies for an organisation
- contributing to a presentation, meeting or communication about financial objectives and risk strategies

**FRM2**

**Monitoring the financing operations**

Competence is demonstrated when you participate in the monitoring and managing of an organisation’s financing operations. You should be able to evaluate investment sources and methods, monitor cash flow, contribute to managing surplus funds and assist with determining potential investment options.

Demonstrate your competence by:

- contributing to managing the capital structure of an organisation
- assessing and comparing possible funding options, including debt and equity
- contributing to choosing different funding sources and options
- contributing to monitoring an organisation’s cash flow and suggesting how surplus funds can be managed
- contributing to cash flow budgets
- observing investment policy guidelines

**FRM3**

**Managing financial risk**

Competence is demonstrated when you participate in managing the financial risk of an organisation. You should be able to evaluate the effectiveness of the financial risk management process and contribute to an organisation’s response to risk and the external environment. You should know how the various elements of risk can impact the organisation.

Demonstrate your competence by:

- identifying and measuring current and potential financial exposure
- contributing to the design or evaluation of effective systems or procedures for internal control
- analysing exposures and making recommendations to decrease financial risk
- contributing to a presentation, meeting or communication about managing financial risk
- assisting to ensure investment decisions align with the organisation’s risk attitude and meet required returns and payback

**FRM4**

**Developing financial risk control systems**

Competence is demonstrated when you participate in developing performance related information systems and establishing financial risk control systems. You should be able to contribute to policies and procedures for managing financial exposure and designing or evaluating effective systems.

Demonstrate your competence by:

- assessing key risks
- contributing to written or verbal communication about internal control systems
- identifying and developing policy and procedures for managing exposure
- explaining how internal control systems contribute to effective risk management

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Technical skills

*Use the STAR method to discuss one or more of the examples for each skill with your mentor.*
Technical skills

Use the STAR method to discuss one or more of the examples for each skill with your mentor.

Insolvency

INS1 Assessing a financial position
Competence is demonstrated when you contribute to assessing the financial position of an organisation or individual.

Demonstrate your competence by:
• identifying and analysing risk factors
• identifying critical risks, options, advantages, conducting sensitivity analysis and test conclusions
• contributing to written or verbal communication on the financial position based on research and testing
• contributing to commercial viability reports

INS2 Identifying options for those facing insolvency
Competence is demonstrated when you participate in evaluating, identifying and recommending strategic options for underperforming, possibly insolvent or insolvent organisations.

Demonstrate your competence by:
• collecting and analysing relevant data
• identifying, evaluating or recommending strategic options
• contributing to recommendations of the strategic options available
• conducting comparative analysis and establishing criteria for making appraisals

INS3 Managing a reconstruction
Competence is demonstrated when you participate in managing a reconstruction. You should be able to monitor, review and assess the progress of a reconstruction plan.

Demonstrate your competence by:
• contributing to developing a plan
• contributing to implementing the reconstruction plan, including organising extension of funding and agreeing interim terms of operation with key parties
• contributing to a report on a reconstruction, including actual performance against objectives
• contributing to a plan with established timeframes

INS4 Liquidating a company
Competence is demonstrated when you participate in the liquidation of an organisation. You should be able to identify how a debtor becomes bankrupt and determine the appropriate form of administration.

Demonstrate your competence by:
• preparing a reconciliation of expected and actual results
• evaluating options and contributing to the recommendation of a form of administration
• performing daily tasks in liquidating the company, including organising sale of assets
• contributing to a presentation, meeting or communication about managing aspects of the liquidation
• setting valuation parameters and identifying best options when realising assets
Technical skills

Use the STAR method to discuss one or more of the examples for each skill with your mentor.

Management Accounting

**MAN1**

**Contributing to the operational strategy**

Competence is demonstrated when you contribute to the operational strategy of an organisation. You should be able to contribute to forming strategy, business plans, budgets and financial decision making.

Demonstrate your competence by:

- contributing to the creation of management accounting strategies and processes
- contributing to the preparation of a developmental, operational or capital budget
- evaluating a business plan
- evaluating projects against their objectives, including key assumptions, project life analysis, target costing and conducting risk, sensitivity or probability analysis
- contributing to a presentation, meeting or communication that evaluates a project
- contributing to written or verbal communication about an operational strategy

**MAN2**

**Contributing to the design of organisational processes**

Competence is demonstrated when you actively participate in the design of organisational processes. You should be able to monitor financial aspects of organisational change and evaluate, design, redesign or processes.

Demonstrate your competence by:

- preparing a financial assessment of an organisational design or redesign
- monitoring financial aspects of an organisational design
- evaluating the effectiveness of an organisational design
- contributing to monitoring financial aspects of organisational change, for example modelling changes in economic assumptions
- initiating or supporting change to improve the management accounting function

**MAN3**

**Developing performance measurement systems**

Competence is demonstrated when you contribute to developing performance measurement systems. You should be able to contribute to business planning, cost control, budgeting and organisational design and development.

Demonstrate your competence by:

- developing improvements to performance measurement systems
- participating in the development of performance measurement, for example key performance indicators or scorecards
- evaluating the effect of external and internal organisational relationships on measuring performance
- evaluating how performance measurement can be used to achieve objectives
- using calculations to measure performance
- contributing to written or verbal communication about performance measures

**MAN4**

**Establishing financial control systems**

Competence is demonstrated when you develop performance related information systems and establish financial control systems. You should be able to contribute to the design, implementation and review of an information technology control system.

Demonstrate your competence by:

- contributing to the design, implementation or review of an organisation's information technology control system
- using information technology to develop controls
- contributing to written or verbal communication about how information systems were tested or monitored for their effectiveness
Technical skills

Use the STAR method to discuss one or more of the examples for each skill with your mentor.

Taxation

TAX1
Determining the taxation position
Competence is demonstrated when you participate in determining the taxation position and liability of an organisation or individual. You should be able to provide advice on the taxation effects of transactions and events while meeting the reporting, payment and compliance obligations of an organisation or individual.

Demonstrate your competence by:
- calculating taxation liability
- contributing to ensure that taxation reporting and compliance obligations are met
- corresponding with clients regarding taxation reporting and compliance obligations
- distinguishing between legitimate taxation planning, taxation avoidance and taxation evasion
- contributing to a meeting where taxation advice is given

TAX2
Demonstrating effective taxation planning
Competence is demonstrated when you participate in taxation planning activities for an organisation or individual. You should be able to establish and evaluate an organisation’s or individual’s taxation strategy.

Demonstrate your competence by:
- preparing an assessment of an existing taxation strategy
- advising on a taxation strategy
- preparing research used for establishing or assessing the taxation strategy of a client
- contributing to a meeting during which a client’s taxation strategy is discussed
- contributing to a plan for the timing of taxation liabilities and taxation planning for the future

TAX3
Promoting the awareness of taxation matters
Competence is demonstrated when you promote taxation awareness within the organisation or with clients. You should be able to explain the organisation’s response to taxation developments and have current knowledge of changes in taxation legislation, regulation and case law.

Demonstrate your competence by:
- informing key parties of a technical update by contributing to external or internal communication
- contributing to a presentation, meeting or communication on taxation issues
- contributing to an organisation’s response to taxation issues
- promoting an organisation’s or client’s understanding of taxation issues
- contributing to taxation training
- discussing changes in taxation legislation, regulation or case law

TAX4
Acting as a representative for taxation matters
Competence is demonstrated when you can participate in the representation, negotiation and litigation of taxation matters in an organisation or on behalf a client.

Demonstrate your competence by:
- representing an organisation or client on taxation matters
- contributing to negotiation on taxation matters
- corresponding with taxation authorities to negotiate on behalf the organisation or client
- contributing to written or verbal communication required by internal or external parties for the negotiation of taxation matters

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