

## Accounting Apprenticeships

### The New Standards and the Employer Levy

The structure of Apprenticeships, nationally, have recently been redesigned and the Accounting Profession has been in the forefront of this (the Trailblazer Apprenticeships).

The following Accounting Standards have recently been introduced:

- Assistant Accountant Apprenticeship (Level 3. "Advanced")
- Professional Accounting / Tax Technician Apprenticeship (Level 4. "Higher")
- Professional Accountant Apprenticeship (Level 7. "Professional")

There will no longer be a Level 2 Apprenticeship; any Level 2 training needed will have to be integrated into a Level 3 Apprenticeship as part of the learning required to achieve Level 3. The new funding mechanism will cater for this. We therefore anticipate that a standard Level 3 (Assistant Accountant) Apprenticeship could last between 13 months and 2 years, depending on how much, if any, of the Level 2 studies need to be undertaken.

Assessment of these Apprenticeships will be by an "End Point Assessment" and will be graded "Pass" or "Distinction". Under our programme, this will include two elements:

1. The AAT Synoptic exam. Although there is a choice of End Point Assessment Organisation, we consider that the market leader for Accounting Apprenticeships is the AAT and so would recommend this.
2. A Professional Discussion or a Reflective Statement based on the knowledge, skills and behaviours developed in the workplace over the period of the apprenticeship

The only "mandatory" assessment element of the Apprenticeship will be this "End Point Assessment". However, in practice we expect that both employers and apprentices will want to include the relevant professional examinations and qualification, i.e. the AAT exams.

Apprenticeships must last at least 1 year and 1 week and the "End Point Assessment" cannot be completed until after 12 months. It will take at least 6 weeks for results of the AAT synoptic exam and Reflective Statement to be assessed. In practice, for an Apprentice needing to complete part or all of their Level 2 studies before being able to progress to the Level 3 topics, we would expect to spread their Advanced and Higher Apprenticeships over a combined period of up-to 3 years

- 13 to 24 months for the Advanced (Assistant Accountant) Apprenticeship and
- 13 to 18 months for the Higher (Professional Accounting/Tax Technician) Apprenticeship

## Funding and funding mechanisms

1. Employers with payroll costs > £3 Million p.a. will pay a levy of ½% via the PAYE system into a digital apprenticeship account.  
  
They can then use this to contribute to any apprenticeship training purchased. If not used these funds will “expire” and so there is therefore a clear incentive to employ apprentices. “Use it or lose it”
2. The government will provide a monthly “top-up” of 10% of the last month’s contributions.
3. Employers with payroll costs < £3 Million pa will not pay the Employer Levy. The course fees will be paid to training providers via a contract or sub-contract with the ESFA.
4. For non-levy payers, the government will contribute £9 for every £1 paid by the employer. For Accounting Levels 3 and 4, there is a cap of £9,000 on what will be funded. For Level 7, this cap has been set at £21,000. The government funding is spread out over the duration of the Apprenticeship, with 20% paid on completion.
5. For levy payers, if the levy paid into their Apprenticeship Service account has been fully utilised, the government the additional cost is covered by a contribution from them of £9 for every £1 paid by the employer (similar to the non-levy payers)
6. All funding is dependent on the employer contributions being paid.
7. For apprentices aged 16-18 the government will pay a wage subsidy, currently £1,000 each to the employer and the training provider. In addition, employers with less than 50 staff will not need to pay their 10% contribution for these 16-18 year olds.
8. The above regulations are subject to change at the discretion of the government.

## Apprenticeship Requirements

There are certain requirements that must be met during apprenticeship training, to ensure the apprentice receives the most from their apprenticeship and develops valuable skills.

20% of the apprentice’s paid hours must be used for “off the job” training. This may include:

- Time given at work or via day release to study for e.g. the AAT units at levels 2, 3 or 4;
- Time spent on in-house training, including work-shadowing, mentoring and feedback;
- Time spent in reviews (but not line management).

The 20% may be achieved with regular time each week, less frequent day release or may be in a few large blocks. We will discuss with you how we can ensure you are meeting this requirement and still paying your apprentice the required minimum wage, all whilst keeping the time the apprentice has away from their desk, flexible and suitable for your team’s needs. Our weekly drop in sessions will be extended to cover the period from 9.30am to 8.30pm to provide maximum flexibility for employers and apprentices to select the most appropriate attendance times.

All apprenticeship must last a minimum of 12 months plus 1 week. Apprenticeships are assessed and graded solely on the “End Point assessment” (EPA). The EPA cannot be booked until at least 12 months after the apprenticeship start date. We will discuss with you and the apprentice when we all feel they are ready to undertake the End Point Assessment.

## Assistant Accountant (Level 3 Apprenticeship)

### Who is this suitable for?

The Assistant Accountant Apprenticeship is the starting point for any staff who have no experience in accounting, including school leavers. There is currently no Level 2 Apprenticeship. Therefore any requirement for introductory Bookkeeping training will need to be incorporated into the Level 3 Apprenticeship.

### The Apprenticeship Structure

We would not generally advise students with no experience to start their AAT studies at the Advanced Level (level 3) so we will incorporate all or part of the AAT Foundation Level, or other induction training, as part of this Apprenticeship. For the Assistant Accountant Apprenticeship students will sit the AAT Advanced Synoptic paper as part of the End Point Assessment.

AAT Advanced Diploma in Accounting	AAT Foundation Certificate in Bookkeeping
<b>Unit Titles</b> <ul style="list-style-type: none"> <li>÷ Advanced Bookkeeping</li> <li>÷ Final Accounts Preparation</li> <li>÷ Management Accounting: Costing</li> <li>÷ Indirect Tax</li> <li>÷ Ethics for Accountants &amp; Spreadsheets for Accounting (tested in Synoptic exam only)</li> </ul>	<b>Unit Titles</b> <ul style="list-style-type: none"> <li>÷ Bookkeeping Transactions</li> <li>÷ Bookkeeping Controls</li> </ul>
	AAT Foundation Certificate in Accounting
	<b>Unit Titles</b> <ul style="list-style-type: none"> <li>÷ Bookkeeping Transactions</li> <li>÷ Bookkeeping Controls</li> <li>÷ Basic Costing</li> <li>÷ Using Accounting Software (Sage)</li> <li>÷ Work Effectively in Finance (tested in Synoptic exam only)</li> </ul>

As part of the apprenticeship training we can include any or all of the following:

- + AAT Foundation Certificate in Bookkeeping
- + AAT Foundation Certificate in Accounting
- + The Balancing Act Bookkeeping Course

60% of the End Point Assessment will relate to a “Professional Discussion” performed by an AAT Assessor. This will be based on a work experience portfolio and associated reflective journals, recognising the high level of learning being undertaken at work. We will provide:

- + Work Experience Portfolio Building Support
- + and will look to provide as much of this as possible during the apprentice’s 20% off-the-job training

### “Competence” requirements of the Level 3 Assistant Accountant Portfolio

Knowledge	Skills	Behaviours
1. Business Awareness	1. Analysis	1. Embracing Change
2. IT Systems and Processes	2. Communication	2. Adding value
3. Ethical Standards	3. Produces Quality and Accurate Information	3. Ethics and Integrity
4. Financial Accounting and Reporting	4. Uses Systems and Processes	4. Personal Accountability
5. Management Accounting	5. Problem Solving	5. Productivity
		6. Team Work and Collaboration

## Professional Accounting / Tax Technician (Level 4 Apprenticeship)

### Who is this suitable for?

The Professional Accounting Tax Technician Apprenticeship would be suitable for anyone progressing from the Assistant Accountant Apprenticeship, or anyone who already holds an AAT Level 3 Qualification. It may also be relevant to those with extensive practical experience but no formal accounting qualifications.

### The Apprenticeship Structure

Apprentices can study the AAT Professional Diploma in Accounting, and it is the Synoptic Exam from this course which will be included as part of the End Point assessment.

AAT Professional Diploma in Accounting
<b>Unit Titles</b>
÷ Financial Statements of Limited Companies
÷ Management Accounting: Budgeting
÷ Management Accounting: Decision and Control
÷ Internal Systems and Controls (tested in Synoptic exam only)
<b>Optional Units (2 of 5 units must be completed)</b>
÷ Cash and Treasury Management
÷ Credit Management
÷ Personal Tax
÷ Business Tax
÷ External Auditing

**As part of the apprenticeship training we can include any or all of the following:**

+ Any additional optional units – students must complete 2 of the optional units to achieve the AAT qualification, but it may be useful for them to undertake more. For example by completing External Auditing students will be exempt from the ACA Assurance module, whilst undertaking Personal Tax and Business Tax will give them exemptions for the ACA Principle of Taxation module.

### “Competence” requirements of the Level 4 Professional Accounting Tax Technician Portfolio

Skills	Behaviours
1. Analysis	1. Adaptability
2. Communication	2. Adding value
3. Leadership	3. Ethics and Integrity
4. Planning and Prioritisation	4. Proactivity
5. Produces Quality and Accurate Information	5. Professional Scepticism
6. Team working and Collaboration	
7. Uses Systems and Processes	

Apprentices will need to produce a Reflective Statement on this Portfolio, and will be assessed by a written statement, and/or a Professional Discussion. As an alternative to undertaking the AAT examination route and End Point Assessment, it is possible to complete this Apprenticeship following the ACA CFAB route. Please ask for details.

To ensure you get the most out of your levy spend, and your apprentice develops a full range of skills, it is proposed that both of our Level 3 and Level 4 programmes can also offer:

- + Technical Training
- + Skills and Behaviours Training
- + We source this via SWAT webinars and will tailor a programme relevant to each apprentice
- + We have worked with Agar Management Consulting to develop a programme of webinars covering these skills / behaviours

It is proposed that all of the above will be delivered during the 20% off the job training. If you have any specific training you would like your apprentices to undertake, or if you already buy in training, we can discuss the options of incorporating this into the apprenticeship delivery.