

## **PREFACE**

Pursuant to section 7(1) of the Auditors and Accountants (Registration) Act No. 33) of 1972 as amended, the Board registers applicants into different registration categories using a vetting criteria approved by the Governing Board.

In order for a CPA (T) or equivalent Graduate Accountant to be eligible for registration as an associate member, he or she must have acquired at least 3 years post-qualifying experience under the supervision of a mentor who is a Certified Public Accountant OR a Certified Public Accountant in Public Practice OR must hold a practicing certificate from a recognized professional accountancy body. This is as per clause 5(I)(a) of the NBAA (Registration and Membership) by laws, 1997.

Clause 4(2) and 5(2) of the same by-laws require the Board to issue to the Graduate Accountant [GA] a work record (log) book to record the nature of his/her practical experience gained during the 3 years period.

In the year 2002 NBAA introduced a practical experience log book which has been used up to date. In order to accommodate new changes in the profession including the requirements of the IFAC's International Education Standard number 5, NBAA has revised the log book effective from September 2009.

The Board shall with the supervision of a registered mentor and the employer expect the GA to build up a complete and accurate summary of skills and expertise acquired in different areas of work during training. The GA shall be expected to fill in the summary sheets on completion of assignments or whenever they change jobs. The log book shall after approval by NBAA form part of the GA's application for membership.

The Board generally accepts that the experience obtained will depend on the size, nature and structure of the organization employing the GA and that he/she may work in fewer, or more, areas of accountancy than other colleagues. The employer with the advice of mentor shall be requested to expose the trainee in as many areas as possible both from within the organization and or in its subsidiaries or sister or client organizations.

In addition to acquiring technical and practical expertise, the trainee GA is expected at the end of 3 years to show that he has developed personal skills which shall enable him/her to communicate information effectively both orally and in writing and is able to plan work, exercise judgment, motivate and control others with professional aptitudes of integrity, independence, impartiality and objectivity.

The Board is strongly recommending herewith this practical experience log book for your expeditious implementation.

P.A. Maneno  
Executive Director

## CHAPTER 1

### INTRODUCTION TO THE POST QUALIFYING EXPERIENCE FOR GRADUATE ACCOUNTANTS (GAs)

#### 1. THE NEED FOR PRACTICAL EXPERIENCE

NBAA Graduate Accountants are fresh CPA (T) or equivalent holders, who are per requirements of section 4(2) and 5(1) of the NBAA (Registration and Membership) by laws 1997, eligible to be registered as either **Associate Certified Public Accountant [ACPA]** or **Associate Certified Public Accountant in Public Practice [ACPA-PP]** as the case may be. The 1997 by-laws require a work experience record or log book to accompany any application by a Graduate Accountant (GA) as evidence of completion of his/her three (3) years practical experience.

In registering Graduate Accountants as associate members, NBAA demands a post-qualifying experience as one of the conditions. Elsewhere in the world like the chartered Institute of certified Accountants of UK, professional bodies demand a pre-qualifying experience.

In Tanzania Graduate Accountants, before being registered they will be vetted subject to the following:-

- (a) The applicant testifying that he/she has worked in senior and relevant positions in accounting or auditing for at least 3 years;
- (b) The applicant filling the NBAA Experience Log Book which shall be signed by all his/her mentor and current employer;
- (c) The applicant is required to complete practical experience log book each year for the period of three years.
- (d) The applicant meeting the other remaining conditions in the Board's vetting criteria as stated in the Registration and Membership By-laws.

The International Federation of Accountants [IFAC] has issued an International Education Guideline – IEG No. 9 practical experience requirements for accountants whereby surveys of such experiences in Canada, USA, Netherlands, New Zealand, Scotland and Turkey are discussed. The concept of “mentor” is greatly emphasized. Mentors represent an important link between a member (trainee or graduate) accountant and his professional body. Mentors are usually professionally qualified and registered members attached to an organization or an audit practice. Mentors assist trainee accountants to navigate through the post qualifying practical experience by ensuring that the appropriate practical training requirement is provided at the appropriate work level of the employee.

In order to raise the satisfaction of stakeholders and meet demands of the changing environment the Board is recommending a rigorous for our Graduate Accountants [GAs].

## **2. OBJECTIVES OF THE POST QUALIFYING PRACTICAL EXPERIENCE**

The objectives of such training are (i) to enable employers in commerce, industry, and the public sector give an in depth accounting and financial skills to new employees; (ii) to provide an opportunity for CPA (T) holders to apply concepts and judgmental abilities on practical issues; (iii) to enable trainees perform better; (iv) to comply with requirements of the NBAA law on practical experience as a pre-requisite for registration as associate members.

## **3. EXPECTED OUTCOMES OF PRACTICAL EXPERIENCE TRAINING**

At the end of such training, the graduate/trainee accountant shall be able to:

- (a) Apply technical knowledge and skills in accounting, auditing, finance and taxation;
- (b) Apply interpretation, judgment, analytical and strategic planning skills;
- (c) Develop and apply consistent set of professional ethics;
- (d) Manage change in his/her organization, in the context of technological and business developments;
- (e) Make efficient use of information and decision making systems;
- (f) Develop strong oral and written communication and presentation skills;
- (g) Accept progressively higher levels of responsibilities in the organization during the internship period.

## **NOTES TO EMPLOYERS ON THE NBAA PRACTICAL EXPERIENCE LOG BOOK**

1. Applicants for membership of the Board must, in addition to passing the CPA (T) examinations or its equivalent provide evidence of having obtained relevant accounting or auditing experience. Trainees of the Board are expected, therefore, to maintain records of the experience which they obtain, using this Practical Experience Record Book provided by the Board.
2. Each trainees experience must be verified by his or her employer. We request employers cooperation in encouraging their trainees to keep their Experience Records up-to-date, in reviewing their progress and confirming their

experience on the form attached to the log book. Employers are requested to add any comments they might have on trainee's progress both in terms of their skills and competence in accountancy and the extent to which they have developed a professional ability to work.

3. The Board recognizes that in the early stage of employment, the work activity will mean some involvement in routine office procedures. This involvement is necessary to achieve familiarization with different records and procedures. It must recognize, however, that involvement in such routine procedures should be limited to that necessary to obtain an understanding of such activity. Trainees with appropriate qualifications should not spend an extended period of time on routine activities that contribute little to their development as professional accountants.

## **PART I**

### **CHAPTER TO TRAINEE ACCOUNTANTS (GAs) ON THE COMPLETION OF THE PRACTICAL EXPERIENCE LOG BOOK**

#### **1. The Diary of Activities**

You are expected to record at regular intervals – at least once a month – details of the work you undertake. The Diary should include information on all the tasks which you yourself have undertaken, or in which you assisted. It is important to maintain the diary as it forms the basis for the Summaries which will assist your mentor to assess your practical experience.

#### **2. The Summary of Activities Performed**

To guard your mentor you should indicate a tick (✓) on items you have dealt with. You may discuss and agree with your mentor on how often you can meet and fill the log book.

#### **3. Objective of the Document**

These documents are intended to provide an easily understood record for you, your employers, present and future, and for the Board Accountants must be able to produce clear, concise reports; completed of your Log Book provides you with the opportunity to develop your expertise in this area.

4. The checklists that follow are minimum but not exhaustive areas of training for which each Graduate Accountant shall gain experience. Employers should feel free to cover more areas beyond those listed.

## **PART TWO**

### **Purpose and Scope of the Log Book**

1. This log book prescribes the practical experience CPA(T) graduates are required to acquire before qualification as professional accountants.
2. The aim of this Log Book is to ensure that candidates seeking to qualify as professional accountants have acquired the practical experience considered appropriate at the time of qualification to function as competent professional accountants.
3. Further development may be required after qualification to bring CPA(T) graduates up to the level of statutory auditor or some other form of specialization. In any event life long learning will be required to develop and maintain professional competence.
4. Practical experience, gained by performing the work of professional accountants, in addition to the acquisition of knowledge through professional accounting education programs, is considered necessary before candidates can present themselves to the public as professional accountants.
5. Employers, work colleagues and mentors play important roles in planning and monitoring practical experience gained by trainees.

### **Practical Experience Requirements**

1. The minimum period of practical experience in performing the work of professional accountants is three (3) years. This period should be long and intensive enough to permit candidates to demonstrate that they have gained the professional knowledge, professional skills, and professional values, ethics and attitudes required for performing their work with professional competence and for continuing to grow throughout their careers.
2. The period of practical experience should be a minimum of three (3) years. A period of relevant graduate (beyond undergraduate e.g. masters) professional education with a strong element of practical accounting application may contribute no more than 12 months to the practical experience requirement.
3. The overall goal is to produce competent professional accountants through an appropriate mix of general education, professional education and practical experience. The exact combination may vary, as long as the requirements of

paragraphs 1 and 2 are achieved. Simply spending the amount of time necessary to meet the practical experience requirement is not sufficient. Trainees need to demonstrate the competent achieved.

4. A sufficient period of practical experience is considered necessary before candidates can present themselves to the public as professional accountants, that is, in addition to academic study or studying for a professional qualification. Experience gained at work equips trainees with many of the practical skills needed to become competent professional accountants.

## **PART THREE**

### **Monitoring and Control**

1. The employer and mentor should ensure that the practical experience trainees have gained is acceptable. Experience leading to qualification as a professional accountant should be conducted under the direction of a mentor who is an experienced member of NBAA. For a practical experience to be effective, it is necessary for trainee, the mentor and the employer to work together.
2. The program of practical experience should be mutually beneficial to both the trainee and the employer and be developed together. A record of the practical experience gained should be reviewed periodically by the mentor.
3. Before a trainee qualifies as a professional accountant the Board should assess the practical experience gained by the trainee on the basis of remarks provided by mentor.
4. Mentors may be assisted in performing the mentoring function by others in the organization, some of whom may not be professional accountants.
5. NBAA is responsible in designing practical experience needs and implementation requirements are vested on the employers, mentors and trainees themselves.
6. Mentors are responsible for the planning of the practical experience period and guidance to trainees. The Board may provide training for mentors and put in place reporting arrangements.

### **The role of NBAA in Mentorship:-**

1. Establishing a monitoring system, normally on a sampling basis, that provides for monitoring and reporting of the practical experience obtained.
2. Providing detailed written guidance for employers, mentors and trainees regarding the program of practical experience and their roles and responsibilities.

3. Establishing a mechanism for approving mentors as suitable for providing the appropriate experience for trainees.
4. Assessing and approving the practical experience environment before commencement of experience (for example, the nature and scope of practical experience and the training arrangements of employers need to be reviewed to ensure that trainees would receive proper direction, supervision, mentoring, counseling and evaluation).
5. Assessing prior to membership, the practical experience gained on the basis of a written submissions in the log book made by mentors and employers.
6. Monitoring mentors previously approved. The review may advise on areas that need improvement or may recommend that approval be withdrawn if conditions have changed to the extent that relevant experience criteria are not being met.
7. Establishing a system of periodic reporting to cover changes, if any, in the nature, scope and content of the trainee's practical experience if it is impractical to visit all approved mentors.
8. Undertaking a periodic study of the competences required by professional accountants to help to ensure that the practical experience gained is relevant and appropriate.

### **The Role of employer's in Mentorship**

Employers play a key and important role in the practical experience program as they:-

1. Provide opportunity to trainees to gain hands on experience and therefore by extension make a substantial input to the quality of professional accountants and future managers.
2. Identify and support mentorship program.
3. Help to match mentors with trainees.
4. Have strategic needs that the experience program would strive to meet.
5. Verify and authenticate the experience gained by the trainee.

Employers are requested to encourage trainees to maintain and keep their practical experience records up to date.

Employers are also requested to ensure that Graduate Accountants (GAs) with appropriate qualifications do not spend an extended period of time on routine activities that contribute little to their development as professional accountants.

## **Graduate Accountants (GAs)**

Becoming a CPA (T) is not simply a matter of passing the CPA (T) exams. You also need a minimum of three years' relevant practical experience.

The candidates taking part in the practical experience program are required to observe the following:-

1. Read and understand the practical experience guideline with emphasis on the nature and records you need to obtain.
2. Read the whole log book to understand the documents that will be filled at various times during this program.
3. Read and comprehend the mentorship function and ensure its realization.
4. Access, read and understand the code of ethics for professional accountants.
5. Maintain up to date record of practical experience and mentorship program to ensure that this information can be availed for evaluation.
6. Make your records updated regularly e.g. at least once every three months.
7. Your employer must confirm the experience gained by signing the relevant form at the end of the log book.
8. The records should provide evidence with examples as to whether during the final days of your practical experience, there are jobs in which you have demonstrated professional skills, such as exercising judgment, accepting responsibility for motivating and leading others, introducing new or changing existing procedures to improve the work. This need to be provided by your employer.

## **Mentorship**

**Objectives of the mentorship program are:-**

1. To stimulate and sustain the trainees' interests in pursuing an accountancy career
2. To promote supportive and caring relationship between students and experienced accountancy and other professionals
3. To encourage trainees' to influence their peers to enroll in the accounting profession
4. To build up trainees interpersonal, organizational and social skills
5. To provide the job market with high caliber employees at the end of the accountancy qualification program

## **Mentors**

All mentors must be registered members of NBAA who are in good standing. Any professional accountant appointed by a Graduate Accountant must be approved by the board before commencing mentoring.

Mentors who participate in the program are encouraged to gain current understanding of any or more of the following:-

1. NBAA admission requirements
2. IFAC and NBAA code of ethics
3. Issues facing the profession
4. The professional knowledge and skills required of trainees
5. Expectations associated with mentoring
6. General leadership and management knowledge and skills, and
7. Any other specific requirements and responsibilities that relate to mentoring

### **Mentors should be able to:-**

1. Have interest in training/developing future members of the profession
2. Advise, evaluate, motivate and provide direction to trainees
3. Be available for scheduled consultation with trainees
4. Be able to influence (to some extent) the work assignments Graduate Accountants receive.
5. Willing and able to participate in programs of mentoring training

### **Monitoring mentors**

Mentors will be monitored using the following approach:-

1. Desk based monitoring requiring documentation establishing mentors' knowledge, skills, professional standing and activities
2. Training and evaluation sessions
3. Obtaining feedback from trainees through evaluation tools on their mentor's performance
4. Site visit to mentors

### **Recognition of Mentors**

Mentors will receive a certificate/letter of recognition upon completing one year in service to the profession. Their role is voluntary and does not attract remuneration.

**CHECKLIST FOR GRADUATE ACCOUNTANTS IN INDUSTRY, COMMERCE  
AND PUBLIC SECTOR**

<b>BASIC ACCOUNTING FUNCTIONS</b>		
1	Accounting Records	(a) Bank accounts and cash
		(b) Nominal, sales and purchase ledgers
2	Bank Accounts and Cash	(a) Preparation and reconciliation of bank accounts. Bank credits transfers, bankers' orders and direct debiting
		(b) Prime records supporting entries into cash accounts, bank accounts.
		(c) Petty cash recording and control.
3	Nominal Ledger	(a) Control and posting of entries;
		(b) Allocation of expenditure between capital and revenue.
		(c) Maintenance of asset registers.
		(d) Handling and control of stocks.

4	Sales Ledger	(a) Processing orders, credit status verification.	
		(b) Raising invoices-coding for analysis	
		(c) Control of credit and of payments received	
		(d) Bad and doubtful debts	
		(e) VAT	
		(f) Export practice and documentation and foreign currency transactions.	
5	Purchase Ledger	(a) Authorization of purchases and ordering procedures.	
		(b) Methods of payment – cheques, credit transfers, bill of exchange. Import procedures and foreign currency transactions.	
		(c) Recording of invoices and statements with records.	
7	Payroll	(a) Methods of time recording;	
		(b) Calculation of salaries, wages and bonus earnings using manual and/or computer methods;	
		(c) Statutory deductions from employee gross pay.	

	Final Accounts and Related Matters.	(a) compiling periodic and annual accounts:  (i) Reconciling detailed records with control accounts; (ii) Trial balance and location of errors; (iii) Stock and valuation of work-in-progress; (iv) Treatment of depreciation; (v) Consolidated accounts of groups of companies (where appropriate).	
		(b) Interpretation of final accounts.	
		(c) Statutory requirements and related matters. (i) Requirements of relevant legislation; (ii) Compliance with accounting standards. (iii) Compliance with Companies Act. (iv) Preparation of statistics for government departments; (v) Requirements of external auditors;	
	Internal Audit	(a) Preparation of long term and annual audit plan.	
		(b) Preparation of audit programs.	

		(c) Review of the working papers of junior staff.	
		(d) Appraisal of the strengths and weaknesses of the internal controls	
		(e) Appraisal of periodic management accounts.	
		(f) Review of working paper of junior staff.	
		(g) Preparation of audit reports.	
		(h) Supervision of Junior staff.	
		(i) Effective with related Audit Committee and external auditor.	
	Financial Management	(a) Forecasting capital requirements.	
		(b) Proposition of source of finance.	
		(c) Corporate Planning Integration of financial policy objectives with the overall objectives of the organization.	

	Taxation	(a) Computation and treatment taxes in final accounts.	
		(b) Preparation of output tax, input tax and monthly VAT returns.	
	Costing	(a) Material cost: (i) Coding and allocation (ii) Setting price and quantity standards. (iii) Computation and interpretation of variances.	
		(b) Labour costs classification, allocation, analysis	
		(c) Treatment of overheads: (i) Division of overhead costs between fixed and variable; (ii) Allocation of overhead costs and computation of variances;	
		(d) Marginal costing and break-even analysis techniques;	
		(e) Job, process, project, operation and batch costing;	
		(f) Standard costing	

		(g) Stock and work-in-progress control and valuation.	
	Budgetary Control	(a) Application and operation of budgetary planning and control procedures;	
		(b) Compilation and revision of budgets;	
		(c) Design, preparation and circulation of control statements.	
	Forecasting	(a) Production of information for decision making.	
		(b) Evaluation of alternative courses of action;	
		(c) Assessment of project profitability;	
		(d) Capital expenditure assessment, appraisal and monitoring;	
	Business Awareness	An understanding of relevant organizations, how business work and the business environment	
		Developing knowledge of relevant organizations, industries and markets, the business risks associated with them and the business environment.	

		Analyzing relevant organizations' environments, structures and business objectives, and the business environment.	
		Critically assessing performance, making recommendations for improvement, giving advice and applying relevant reporting requirements.	
	Application of professional values, ethics and attitudes	Recognizing issues using knowledge and experience to assess implications and making of confident decisions and recommendations	
		Developing an enquiring mind through asking pertinent questions, raising helpful queries and identifying issues.	
		Identifying key issues and understanding the implications of different courses of action.	
		Exercising ethical sensitivity and judgment and applying professional values, ethics and attitudes in the workplace.	
	Application of technical knowledge	The ability to relate the work of a professional accountant to other business functions and activities	
		Developing knowledge of the accounting and other technical areas relevant to the trainees' work role. Describing the relevant technical standards and rules.	
		Relating technical studies to practical work and understanding how the breadth of technical knowledge impacts on work.	
		Applying technical knowledge in the workplace.	

	Professional skills	Intellectual skills	
		Technical and functional skills	
		Personal skills	
		Interpersonal and communication skills	
		Organizational and business management skills.	

Name of Mentor:.....

Signature:.....

Date:.....

**TO BE COMPLETED BY THE EMPLOYER**

Please provide comments on the following areas:

- 1. Interpersonal skills (interacting with/managing others)

Example: Trainee’s ability to work well within teams or to lead teams, ability to communicate complex ideas and issues effectively to staff at a number of levels in the organization, including non accountants, your ability to negotiate or achieve compromise, etc.

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- 2. Organizational skills (managing organizational resources)

Example: Trainee’s ability to manage organizational resources so as to add value to the work, ability to gather organizational information, to identify opportunities for improvement, his/her ability to network effectively, to manage processes etc.

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3. Personal skills (self management)

Example: Your ability to manage your time effectively, to meet deadlines even when under pressure; to adapt and cope with difficult or challenging situations when perhaps things don't go plan, etc.

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Name of Authorized Officer: .....

Designation:.....

Signature:.....

Date:.....

Official Stamp