

Proposed Mutual Cooperation Agreement with Tertiary Institutions (MCATI)

1.0 Introduction

MCATI was set up in 2014/2015 Presidential year to deepen mutual cooperation with tertiary institutions, in order to improve the quality of accounting education in these institutions in Nigeria, as their products feed into the Institute's professional examination. It also aims at benchmarking international best practices. Extensive research carried out by MCATI Committee shows that professional accountancy bodies in UK have long adopted such practices, with both Institute of Chartered Accountants in England and Wales (ICAEW) and Association of Certified Chartered Accountants (ACCA) extending their tertiary institutions partnership beyond UK frontiers. The Institute is mindful of its local environment and do not intend to replicate what obtains abroad, rather, it has taken into consideration its peculiar local environment.

2.0 Benchmarking International Best Practice

In order to benchmark international best practice, MCATI committee conducted extensive study to ascertain what obtains with professional accountancy bodies in UK. The study found various models of mutual cooperation agreements with professional accountancy bodies such as Institute of Chartered Accountants in Scotland (ICAS), Chartered Institute of Management Accountants (CIMA), Association of Certified Chartered Accountants (ACCA) and Institute of Chartered Accountants in England and Wales (ICAEW). The committee chose the model adopted by both ICAEW and ACCA for further extensive review in order to inform a model that will take into consideration the local environment that the Institute operates.

2.1 ICAEW

ICAEW has strategic partnership agreements with selected tertiary institutions (similar to MCATI) which ensure students have the opportunity to fast-track their professional qualification while completing their degree programmes. The following tertiary institutions are currently involved in the ICAEW strategic partnership arrangements called **ICAEW Employer Affiliated Programmes** within UK.

- i. Henley Business School, (BA Accounting & Business)
- ii. University of Liverpool, (BA Accounting and Finance)
- iii. University of Nottingham, (BSc Accountancy)
- iv. Newcastle University, (BA Business Accounting & Finance)
- v. Cass Business School, (BSc Accounting & Finance)
- vi. Leeds University Business School, (BSc Accounting & Finance)
- vii. University of Gloucestershire Business School, (BA Accounting and Finance)
- viii. Manchester Metropolitan University, (Professional Accounting)
- ix. Birkbeck, University of London, (BSc Applied Accounting and Business)
- x. Bournemouth University, (BA Accounting and Finance)

ICAEW has 15 modules (subjects) spread over three levels of Knowledge, Skills and Experience called Professional under the Institute's examination. Please see **Appendix 1** for overview of all courses in ICAEW. Differential exemptions are given to accounting graduates whose programmes have normal accreditation and this could range from 4 up to 8 Modules (subjects) depending on the particular institution. However under ICAEW strategic alliance with higher institutions, accounting graduates of participating institutions are exempted from up to 12 Modules, meaning they proceed to write only the three papers in the final level to qualify as chartered accountants in England and Wales. For more details of strategic partnership alliance with ICAEW visit:

<http://www.icaew.com/en/qualifications-and-programmes/partners-in-learning/icaew-higher-education-institutions/strategic-partnership-degrees>

There are also tertiary institutions outside UK such as:

- European University Cyprus (BSc Accounting)
- University of Nicosia (BSc Accounting)
- P A College (B.A (Hons) Business Administration)
- Tsinghua University

With such twelve (12) exemptions, graduates of accounting and finance programmes under the **Strategic Partnership Agreement** with ICAEW will write the following subjects to qualify as chartered accountants.

S/N.	Subjects to write in ICAEW
1.	Corporate Reporting
2.	Strategic Business Management
3.	Case Study

2.2 ACCA Model

There are 16 Modules in ACCA professional Accountancy qualification broken down into Fundamental and Professional Levels. Fundamental level comprises FI to F9 (further broken down into F1 to F3 and then F4 to F9 similar to ICAN Foundation and Skills levels) while the Professional level comprises P1 to P7 (see appendix 2 for details of all Modules in ACCA professional exam). Exemption by ACCA is granted only at Fundamental level and is done on an institution by institution basis to tertiary institutions globally with some given 4 papers, 5 papers, 6 papers and up to 7 papers. Then, there is also the extended exemption whereby, full exemption is given for the entire 9 Modules in Fundamental Level to selected institutions. This allows their graduates to proceed straight to the final Professional level. In order to ascertain the number of Modules (subjects) exemptions granted to each institution by ACCA, visit:

<https://portal.accaglobal.com/accrweb/faces/page/public/accreditations/enquiry/main/EnqInstitutionsTable.jspx>

Typing in the name of any institution, one can see the number of exemptions such institution is granted. Appendix 3 contains an example of search result for a typical tertiary institution that enjoys the 9-Module (subjects) exemptions some of which include:

Manchester Metropolitan University
Oxford Brooks University
University of Salford
Leeds Metropolitan
Birmingham City University
University of Liverpool
University of Hertfordshire

Incidentally, some universities that are granted the 12-Module exemptions in their BSc Accounting programmes by ICAEW may not enjoy up to 9-Module exemptions in ACCA. For example, Henley Business School, University of Reading Accounting and Finance degree programme that enjoys 12-Modules exemption from ICAEW has only 5-Module exemption from ACCA. Another observation is that most universities that enjoy ACCA maximum exemptions are mostly former polytechnics in UK turned universities.

Most first generation universities do not enjoy much exemption as those polytechnics turned universities. For example, University of Nottingham, a top rated university, does not enjoy the maximum 9-paper exemption whereas, Nottingham Trent University, a former polytechnic does. Incidentally, Oxford

University, Cambridge and Royal Holloway College do not appear in the search, meaning no exemptions for their accounting programme while, Durham University another top rated university does not enjoy up to 9 exemptions. The lesson is that mutual cooperation agreement of these professional accountancy bodies with tertiary institutions is dependent upon the tertiary institution that is willing to incorporate the Professional Accountancy curriculum of the particular Institute in the tertiary institution's accounting curriculum. It is not necessarily based on being a top university or polytechnic, or about name. In the Nigerian context, it should not depend on being a federal, state, or private university or polytechnic. It is a question of whether tertiary institution is able to meet the conditions stipulated by the Institute (ICAN) in the MCATI scheme.

With the nine subject exemptions granted by ACCA, graduates of the accounting programme sit for the following 5 subjects to qualify as ACCA chartered accountants.

S/N.	Subjects to Write in ACCA
1.	Governance, Risks and Ethics
2.	Corporate Reporting
3.	Business Analysis

And any **Two** from:

S/N.	Subjects to write in ICAEW
1.	Advanced Financial Management
2.	Advanced Performance Management
3.	Advanced Taxation
4.	Advanced Audit and Assurance

Thus making 5 Modules (subjects) in total

3.0 Expected Benefits of MCATI

The following amongst others are the expected benefits of MCATI:

- Improve the quality of accounting education in Nigeria
- Create early awareness among accounting students to get on board to becoming professional accountants and dispel the myth about the difficulty in passing the Institute's professional examination

- Strengthen the bilateral relationship between the Institute and the tertiary institutions in producing highly skilled accounting graduates suitable for the local and international labour market.
- Replicate current international best practice which is now the norm among global accounting professional bodies.
- Promote, encourage and enable a faster route towards qualifying for the Institute's professional examination and becoming a chartered accountant in Nigeria.
- Promote and encourage Institute's members to get into academia as lecturers either on a full time or part time basis to enable them contribute towards deepening accounting education in Nigeria.

4.0 The ICAN MCATI Terms and Conditions

ICAN MCATI programme is open to all universities' BSc Accounting and Polytechnics' HND programmes. These programmes qualify tertiary institutions as MCATI tertiary institutions. To qualify as ICAN MCATI tertiary institution, ICAN requires compliance with the following;

- (i) The BSc/HND Accounting programme must incorporate all ICAN professional examination subjects up to Skills level in addition to meeting the National University Commission (NUC) and National Board for Technical Education (NBTE) requirements. This means that such curriculum must incorporate the content of the following ICAN subjects:
 - QT in Business
 - Business & Finance
 - Financial Accounting
 - Management Information
 - Business Law
 - Financial Reporting
 - Taxation
 - Performance Management
 - Audit & Assurance
 - Public Sector Accounting and Finance
 - Management, Governance and Ethics
- (ii) MCATI tertiary institutions must employ 6 chartered accountants who are members of the Institute as full-time staff or in the alternative, 12 chartered accountants on a part-time basis as part of its faculty.
- (iii) All core accounting courses must be handled by lecturers who are members of the Institute. Such lecturers (ICAN qualified members) would be expected to fill and sign a pre-designed form to be certified by MCATI monitoring team, confirming that such members actually taught the subjects.

- (iv) The core accounting courses should be taught using ICAN study Texts as the recommended textbook for such courses in addition to others that may be recommended by NUC and the tertiary institution's Senate or department.
- (v) There should be at least one monitoring visit to the MCATI institution every year to moderate the examination process including assessing the rules and regulations for conducting the exam, quality assurance process in place as well as marking, compilations and external examiners' report.
- (vi) Where deemed necessary, Mock Test may be administered by MCATI Committee in conjunction with Professional Examinations to bridge subject knowledge gaps observed during monitoring visits.
- (vii) Tertiary institutions signing unto MCATI are required to ensure that their internal semester examination time table does not clash with the bi-annual Institute's professional examinations time table, so that their students are able to sit for the later examination
- (viii) Tertiary institutions signing unto MCATI are encouraged to register their students for the ATSWA examinations right from year one and encourage them to write the ICAN examinations
- (ix) There is expectation that MCATI tertiary institutions should provide facilities that should be conducive for learning such as good lecture halls, staff offices, departmental library including online access to top accounting journals, accounting laboratory and lecturers' facilities
- (x) There will be a fee which will be charged for initial accreditation that is renewable every three years.

5.0 Exemptions under MCATI

Any accredited MCATI institution that fulfils the above conditions will enjoy extended exemption that allows its graduates to proceed to the final level of the Institute's professional examination. Thus, they will enjoy exemptions in the following subjects

S/N.	Subject Exempted in MCATI
	Foundation Level
1.	QT in Business
2.	Business & Finance
3.	Financial Accounting
4.	Management Information
5.	Business Law

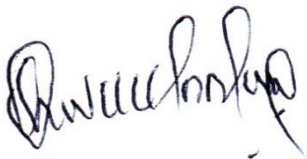
	Skills Level
6.	Financial Reporting
7.	Taxation
8.	Performance Management
9.	Audit & Assurance
10.	Public Sector Accounting and Finance
11.	Management, Governance and Ethics

6.0. Subjects to be written before qualifying

The graduates of MCATI institutions are expected to write the following 5 subjects before they can qualify as chartered accountants

S/N.	Subjects to Write in MCATI
1.	Advanced Taxation
2.	Advanced Audit and Assurance
3.	Corporate Reporting
4.	Strategic Fin. Management
5.	Case Study

This is comparable to 5 subjects in ACCA and 3 subjects in ICAEW. However, ICAN MCATI stipulates terms and conditions that ensure monitoring to take care of the Institute's peculiar local environment part of which will be assisted by its members being involved as part of the tertiary institution's faculty.



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Chairman, MCATI

Comments and suggestions to improve this MCATI proposal should be sent directly by email to:

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The Director, Technical and Education
The Institute of Chartered Accountants of Nigeria
Ebute Metta
Lagos

Appendix 1:

ICAEW Modules

Certificate Level
Paper Title
Accounting
Law
Assurance
Management Information
Principles of Taxation
Business and Finance

Professional Level
Title
Business Planning
Audit and Assurance
Business Strategy
Financial Accounting and Reporting
Tax Compliance
Financial Management

Advanced Level
Title
Corporate Reporting
Strategic Business Management
Case Study

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www.icaew.com/en/qualifications-and-programmes/aca/aca-employers/aca-training-post-july-2013/15-accountancy-finance-and-business-modules

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last. Students must pass every exam (or receive credit for prior learning) – there are no options. This ensures that once qualified, all ICAEW Chartered Accountants have a consistent level of knowledge, skills and experience.

Advanced Level	Case Study				
	Corporate Reporting	Strategic Business Management			
Professional Level	Business Planning	Business Strategy			
	Audit and Assurance	Financial Accounting and Reporting	Tax Compliance	Financial Management	
Certificate Level	Accounting	Management Information	Principles of Taxation		
	Assurance	Business and Finance	Law		

- ▶ Download the 2016 ACA skills development grid
- ▶ Download the 2016 ACA syllabus and technical knowledge grids

15 modules over three levels

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Appendix 2

ACCA Modules

Fundamental Level

Papers can be sat in any order.

Paper	Title
F1	Accountant in Business
F2	Management Accounting (MA)
F3	Financial Accounting (FA)

Papers can be sat in any order. Can sit up to four papers in one exam sitting.

Paper	Title
F4	Corporate and Business Law (CL)
F5	Performance Management (PM)
F6	Taxation (TX)
F7	Financial Reporting (FR)
F8	Audit and Assurance (AA)
F9	Financial Management (FM)

Professional Level

Can overlap with papers on the Skills Module as long as the Skills Module is being completed.

Paper	Title
P1	Governance, Risk and Ethics (GRE)
P2	Corporate Reporting (CR)
P3	Business Analysis (BA)

Can overlap with papers on the Essentials Module as long as the Essentials Module is being completed.

Paper	Title
P4	Advanced Financial Management (AFM)
P5	Advanced Performance Management (APM)
P6	Advanced Taxation (ATX)
P7	Advanced Audit Assurance (AAA)

Appendix 3 Evidence of 9 paper exemptions by some institutions listed above

EXEMPTION ENQUIRY **ACCA**

ACCA QUALIFICATION - EXEMPTIONS

Institution **BABCOCK UNIVERSITY**
 Programme **BSC ACCOUNTING - Graduates from 01-JAN-2015 to 31-DEC-2019**

Completion of the above programme provides exemption from the following paper(s):

PAPER	TITLE
F1	Accountant in Business
F2	Management Accounting
F3	Financial Accounting
F4	Corporate and Business Law

In addition, the paper(s) listed below will be exempted on the basis of the corresponding accredited modules.

PAPER(S)	ACCREDITED MODULES
F6 Taxation	on the basis of TAXATION I (ACCT 407) PLUS TAXATION II (ACCT 408)
F7 Financial Reporting	on the basis of FINANCIAL ACCOUNTING 1 (ACCT 201) PLUS FINANCIAL ACCOUNTING 2 (ACCT 202) PLUS ADVANCED FINANCIAL ACCOUNTINGS I (ACCT 301) PLUS ADVANCED FINANCIAL ACCOUNTINGS II (ACCT 302) PLUS FINANCIAL REPORTING & ETHICS (ACCT 402)

NEED FURTHER ASSISTANCE?
 If you still have queries regarding exemptions you may be eligible to claim, please contact ACCA Connect ? our global customer service centre ? using the following contact details:
 e-mail: students@accaglobal.com
 telephone: +44 (0)141 582 2000

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EXEMPTION ENQUIRY **ACCA**

ACCA QUALIFICATION - EXEMPTIONS

Institution **UNIVERSITY OF SALFORD**
 Programme **BSC (HONS) FINANCE AND ACCOUNTING - Graduates from 01-JAN-2012 to 31-DEC-2016**

Completion of the above programme provides exemption from the following paper(s):

PAPER	TITLE
F1	Accountant in Business
F2	Management Accounting
F3	Financial Accounting
F4	Corporate and Business Law

In addition, the paper(s) listed below will be exempted on the basis of the corresponding accredited modules.

PAPER(S)	ACCREDITED MODULES
F5 Performance Management	on the basis of MANAGEMENT ACCOUNTING FOR CONTROL
F6 Taxation	on the basis of BUSINESS TAXATION
F7 Financial Reporting	on the basis of FINANCIAL ACCOUNTING PLUS ADVANCED FINANCIAL ACCOUNTING/ADV FINANCIAL ACCOUNTING/ACCOUNTING THEORY/ADV FINANCIAL CONTROL
F8 Audit and Assurance	on the basis of AUDIT FRAMEWORK / AUDIT
F9 Financial Management	on the basis of BUSINESS FINANCE

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