

ACCA DIPLOMA IN FINANCIAL MANAGEMENT (DIP.FM) QUALIFICATION

If you're like most middle or senior managers that work in non-accounting roles, chances are you will have some kind of financial responsibility – whether it's managing budgets, cost centres or interpreting financial statements.

So why not differentiate yourself from most middle or senior managers in non-accounting roles and gain the practical knowledge and skills you need to become comfortable and confident when dealing with financial matters?

ACCA's Diploma in Financial Management will provide you with the confidence you will need to participate in financial discussions and decision making and add value to your CV. The Diploma aims to achieve a level of practical understanding that is genuinely useful in the workplace by covering a range of key areas, including how to interpret financial statements, plan, manage and measure performance using budgets and other financial techniques, make financial decisions, manage financial risk, and develop an understanding of corporate governance

Benefits of this qualification

- Develops a practical understanding of finance.

Unlike many financial awareness courses, the Diploma aims to achieve a level of practical understanding that is genuinely useful in the workplace. Managers are increasingly responsible for managing their own profit centres and therefore need a similar level of financial understanding to the qualified accountants within the business. The ACCA Diploma develops this with a broad range of topics which enable managers not only to understand financial information but also link it to broader strategic decisions.

There is no time limit to completing the Diploma and it's possible to complete the course after just one year's study. This is a small commitment to gain a working understanding of finance and the ability to work confidently with financial information.

Assessment

Each of the two modules will be assessed via a 3-hour examination and a project. ACCA offers 160 examination centres worldwide, and sessions are held twice a year in June and December. One or both examinations can be taken at one sitting.

The examination for each module covers the two subject areas in that module and is assessed via a combination of multiple choice and written questions. Like the examination, the project is also based on the subject areas covered by the module, but it can be completed in the student's own time and submitted to ACCA for marking, prior to examination sessions in June and December.

This combination of examinations and projects ensures a detailed knowledge of the subject areas, as well as an ability to practice your financial skills using realistic case studies and examples.

Both the examination and the project must be successfully completed in order to achieve an overall pass in the module.

On successfully passing both modules, you will receive a certificate and the entitlement to use the letters DipFM after your name.

Provides a springboard to further study

One of the major benefits of studying for the Diploma in Financial Management is that it is recognised by a number of leading universities as covering up to a third of their MBA programmes. This means that on qualifying with the Diploma you will be able to gain accelerated entry to many of these programmes.

Entry requirements

The minimum entry requirement for the Diploma is a recognised degree, higher national certificate/diploma or a non-accounting professional qualification.

Individuals who do not hold these qualifications may be admitted on the basis of their work experience. In these circumstances, you should be able to demonstrate, with an employer's reference, that the Diploma will be relevant to your work. If you are self-employed, a reference from an accountant, solicitor/attorney or bank manager will be required.

The syllabus

The Diploma programme has a modular design for convenience of study and to enable you to progress smoothly from basic principles to more strategic issues. Each module covers two subject areas:

Module A

1. Interpretation of Financial Statements
2. Performance Management

Module B

3. Financial Strategy
4. Risk Management

1 INTERPRETATION OF FINANCIAL STATEMENTS

Aim

The overall aim of this paper is for candidates to understand and interpret the financial statements produced by organisations for external users. Candidates should develop an understanding of the regulatory framework in which these statements are prepared and of the principles and methods which underlie their preparation.

Objectives

On completion of this paper candidates should be able to:

- describe the role and function of external financial reports and identify their users and the regulatory framework in which they are prepared.
- explain the accounting concepts and conventions present in generally accepted accounting practice explain, supported by simple computations, the presentation, measurement and meaning of the primary financial statements and their contents describe the informational role of the constituent parts of a corporate annual report usually presented in addition to the primary financial statements.
- compute, interpret and appraise financial performance, financial position and adaptability as revealed by financial statement analysis, particularly by the use of financial and accounting ratios.

2 PERFORMANCE MANAGEMENT

Aim

To develop a good understanding of the knowledge required and techniques available to enable managers to measure and manage business performance within their organisation. Both financial and non- financial measures of performance are included in this paper.

Objectives

On completion of this paper candidates should be able to:

- understand how performance measures should be linked to overall organisation strategy.
- prepare budgets and use them to control and evaluate organisational performance.
- identify and apply techniques that aid decision-making to maximise financial performance.
- identify and implement appropriate costing systems and business control systems.
- identify and apply techniques to evaluate decisions in relation to costing, pricing, product range, marketing strategy, purchasing and production strategies.
- identify and apply non-financial performance measures, and understand the inter-relationships between different performance measures.
- understand the behavioural and organisational consequences of using performance measurement and performance management techniques.
- identify and apply techniques for evaluating the performance of divisions.
- identify and understand issues that may cause performance to fall short of expectations, such as actions of competitors, labour disputes, supply problems, foreign exchange movements and late payment.

3 FINANCIAL STRATEGY

Aim

To develop an understanding of the role of financial strategy in the investment, finance and resource allocation decisions within an organisation.

Objectives

On completion of this paper, candidates should be able to:

- explain the role and nature of financial strategy and its relationship to shareholder value.

- identify the main elements of investment appraisal.
- evaluate long-term decision opportunities through the use of appropriate techniques.
- identify and evaluate the major sources of finance available to an organisation.
- explain the role of capital markets in raising finance.
- discuss the main methods of managing working capital and analyse working capital policies.
- evaluate the motives for, and financial implications of, mergers and acquisitions.
- discuss the impact of taxation and inflation on financial strategy decisions.

4 RISK MANAGEMENT

Aim

To achieve a sound appreciation of the theoretical and practical aspects of corporate governance, and to develop an understanding of the main theories and frameworks associated with the management of both financial and non-financial risk.

Objectives

On completion of this paper, candidates should be able to:

- explain the drivers behind an organisation's appetite and consequent policy for managing risk.
- identify the main types of financial risk and evaluate the mechanisms available for managing exposure to them.
- discuss the various tools and techniques for identifying, measuring and communicating risk.
- discuss the importance of internal control in the management of risk.
- describe the various frameworks and codes enshrining good governance practice.
- explain the role of individuals and committees in implementing and reporting on good governance.