

***Syllabus and competencies matrix for a
three-level qualification for professional
accountants***

Acknowledgment

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TABLE OF ACRONYMS

CPD	Continuing Professional Development
GAAP	Generally Accepted Accounting Principles
IASB	International Accounting Standards Board
IAESB	International Accounting Education Standards Board
ICAEW	Institute of Chartered Accountants in England and Wales
ICT	Information and Communications Technology
IES	International Education Standards for professional accountants
IESBA	International Ethics Standards Board for Accountants
IFAC	International Federation of Accountants
IFRS	International Financial Reporting Standards
IPSAS	International Public Sector Accounting Standards
ISA	International Standards on Auditing
OECD	Organisation for Economic Co-operation and Development
PAO	Professional Accountancy Organisation
PQ	Professional Qualification

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The structure of the Professional Qualification (PQ)

The PQ has three key elements:

1. A competencies matrix that shows the competencies that are developed as students progress through the qualification
2. A framework that describes the levels of the qualification and details how students can progress in their studies in terms of both knowledge and competencies. The framework also specifies the relationship between the modules that comprise the PQ
3. The detailed syllabus that identifies the subject content and shows how the abilities of students are achieved in terms of competencies. The competencies are a detailed expression of the skills and abilities that students acquire.

The syllabus and competencies matrix for this professional qualification have been updated in June 2020 to be compliant with the [International Education Standards \(IES\)](#) for professional accountants that are effective as of January 2021.

The competencies matrix

The competencies matrix identifies how competencies are developed throughout the qualification. It is a general expression of what is expected of modern accountancy professionals in terms of the abilities they apply to dealing with client requirements.

The development of competencies is expressed for each level of the qualification and covers:

- Understanding the problem
- Providing a solution
- Advising and reporting

ASSESSED COMPETENCIES	FOUNDATION	INTERMEDIATE	ADVANCED
Understanding the problem			
Understanding the subject matter and identifying issues	Candidates comprehend simple scenarios presented to them and determine problems to be addressed	Candidates comprehend scenarios presented to them where information may be incomplete or technically difficult. Candidates determine problems to be addressed	Candidates comprehend complex scenarios presented to them where information may be incomplete or technically challenging. Candidates determine problems to be addressed
Accessing, evaluating and managing information	Information/data is provided and candidates summarise and categorise information to address problems	Information/data is provided but may be incomplete and technically difficult to understand. Candidates summarise and categorise information to address problems and are able to identify information gaps.	Information/data is provided but may be incomplete and technically challenging to understand. Candidates summarise and categorise information to address problems and are able to identify information gaps. Candidates are able to assess the impact of information gaps.
Using technical and professional experience	Appropriate technical competencies are identified to solve problems presented to candidates	Appropriate, technical competencies – over a range of technical difficulty - are identified to solve problems presented to candidates	Appropriate, technical competencies – over a range of technical difficulty - are identified to solve problems presented to candidates. Appropriate technical competencies may call for specialists where straightforward technical reports of a non-accounting nature may need to be understood.

Providing a solution

Using analytical tools	Specified tools are employed to solve straightforward problems	Appropriate tools are identified to solve technically difficult problems	Appropriate tools are identified to solve technically challenging problems
Analysing and evaluating problems	The outcomes and limitations of analysis from employing specified tools are understood in a broader context, including ethical dimensions.	The outcomes and limitations of analysis from employing appropriate tools are understood in a broader context, including ethical dimensions	The outcomes and limitations of analysis from employing appropriate tools are understood in a broader context, including ethical dimensions, and where conflicting demands and objectives arise.
Assessing quality of information	Candidates are aware that the quality of information can affect the outcomes of analysis	Detailed scenarios are employed that make difficult the assessment of the quality of information which can affect the outcomes of analysis	Complex scenarios are employed that incorporate data and information from a variety of sources and which makes challenging the assessment of the quality of information which can affect the outcomes of analysis

Advising and reporting

Drawing conclusions and making recommendations	Conclusions are drawn in simple scenarios and candidates demonstrate advice consistent with the outcomes of analysis	Conclusions are drawn in scenarios that may be uncertain and difficult to understand and where candidates are required to demonstrate advice consistent with a careful assessment of the outcomes of analysis.	Conclusions are drawn in complex scenarios that may be uncertain and challenging to understand and where potentially conflicting interests may need to be balanced. Candidates are required to demonstrate advice consistent with a careful and balanced assessment of the outcomes of analysis.
Presenting data and written work	Straightforward reports, memoranda, and formats prescribed in the assessment are produced.	Reports, memoranda, and assessment formats are produced that are determined by the context of the scenario or problem.	Reports, memoranda, and assessment formats are produced that are determined by the context of the scenario or problem and are carefully expressed to reflect the complex circumstances.

The framework for the PQ

The framework, and detailed syllabus which follows, aim to support the certification of auditors and the development of competent professional accountants capable of understanding and contributing to business management. The PQ is intended to develop the values that enable those who qualify to act in the public interest and to demonstrate the competence, knowledge and evaluation skills expected of a professional accountant.

The syllabus is positioned to facilitate granting exemptions to candidates who qualify from recognised universities, meets the requirements of international bodies (e.g. IFAC International Education Standards), and covers international financial reporting and auditing standards.

The framework and syllabus are comparable with modern standards employed by leading professional accountancy organisations across the world. It reflects and is designed to meet the needs of business.

PURPOSE

The proposed qualification seeks to promote and develop the skills and competencies that define what is meant by being a professional accountant.

THE PROFESSIONAL ACCOUNTANT IS A WELL-ROUNDED ADVISOR THAT:

- Contributes real value in management of all types of organisations.
- Acts in the public interest as well as that of their employer or client.
- Delivers and demonstrates competencies that include sound knowledge and higher value technical skills expected of accountancy and finance professionals.
- Delivers their technical knowledge and competencies in a practical and relevant way.
- Delivers competencies in the private and public sectors through a deep understanding of their issues and environments.

The remainder of this document outlines a robust syllabus that meets with this purpose.

THE ROLE OF ETHICS IN THE QUALIFICATION

Ethical behaviour is expected of members of the audit and accounting profession, and this is reflected in the syllabus by extensive references to ethical issues throughout the qualification. Students will be required to address ethical problems in auditing, financial reporting, governance, and taxation. This list is not exclusive, however, and examiners will be encouraged to test ethical issues in any subject area as a reflection of the applied nature of ethics that are tested in the qualification.

OUTLINE SYLLABUS, RATIONALE AND KEY BENEFITS

In outline, the proposed qualification has two elements to it:

- A 3-tier syllabus / examination structure
- An additional work experience requirement

The syllabus structure comprises the modules shown in this diagram:



To be qualified as a member, both elements of the qualification must be satisfied; that is, examinations must be passed, and evidence of acceptable work experience must be provided.

The Taxation and Law modules contain mostly local content. All other modules may be contextualised for the local context but are based on international common content.

The rationale for the syllabus structure is to:

- Achieve the expression of purpose
- Create a clear link between syllabus content and learning materials.
- Clearly identify how students progress from one level of the qualification to the next, measured in terms of skills acquired and competencies achieved via learning outcomes.
- Enable students to progress from appropriately designed and credited university degrees to the PQ (IES1).
- Adhere with IES 2, 3, 4, 5 and 6 (technical competence, skills, ethics, the ability to integrate relevant technical and ethical competencies with appropriate practical experience, and evaluated by appropriate and meaningful assessments). Adherence is to the 2021 revisions of IESs.
- Position students for lifelong development: IES 7 (CPD).
- Ensure that the PQ is sufficiently benchmarked with international qualifications to facilitate a degree of mutual recognition with other countries' professional qualifications.
- Provide content which is sufficiently localised to ensure that the PQ competencies are relevant to the local economy and environment.

LEVELS

There are three levels in the PQ: Foundation, Intermediate and Advanced.

The levels in the qualification reflect the inherent difficulty of the subject matter in the modules and the requirements of progression to achieve professional competency that meets with the purpose of the qualification. At the lowest level, tasks in an exam will provide straightforward and structured data and information. At the next level, tasks will have straightforward, but more complex, data and information set in a more practical context. At the final level, there will be scenarios that are more challenging asking for the development of professional advice.

In a competency-based framework these tasks are expressed in terms of competencies achievement of students. Competency achievement is developed into learning outcomes that specifically identify for students what they need to do in detail to demonstrate that a competency has been acquired. These learning outcomes are then reflected in assessments, via assessment criteria, to ensure that students evidence their acquisition of competencies.

Stages and learning outcomes

Learning outcomes are expressed in terms of tasks that use verbs such as *identify*, *explain*, *calculate*, *analyse*, *evaluate* and *advise* to specify the skill that has to be demonstrated. Modern accountancy qualifications use a hierarchy of verbs which recognize that students begin the learning process by being able to undertake the simpler tasks, as expressed in verbs such as 'identify' and 'explain', moving on to more difficult tasks such as 'calculate' and 'analyse', and ending-up with the higher-level tasks of 'evaluate' and 'advise'. This approach has long been used in modern accountancy qualifications and is based, in one form or another, on Bloom's taxonomy of verbs.

This approach is in accordance with [IES 2](#), which describes what is involved in terms of 'proficiency' levels and demarcates competencies between different levels of modern accountancy qualifications.

FOUNDATION LEVEL

The Foundation Level provides a framework for learning which contains core competencies that prepare students for further study. Details of the subjects are shown in a table below:

Business Management and Technology	<p><i>Outline content:</i> Business Management and Technology introduces the basic structures and processes involved in organisations and identifies the impact of the business environments and how information is managed to support business objectives. It considers in detail: entity types, their purpose and objectives; how the business environment influences business decisions; the business planning process and the impact of behavioural issues; the basic operations of a business; how information is used and managed; and concludes with a description of the basic business models used to support management decisions.</p> <p><i>Progression to:</i> No specific progression to other modules; this module gives context to, and underpins, the qualification.</p>
Financial Accounting	<p><i>Outline content:</i> Financial Accounting is designed to ensure that candidates have a sound understanding of the techniques of double entry accounting and can apply its principles in recording transactions, adjusting financial records, and preparing non-complex financial statements. The syllabus introduces the candidate to the fundamentals of the regulatory framework relating to accounts preparation and to the qualitative characteristics of useful information, covers drafting financial statements and the principles of accounts preparation. The</p>

syllabus concentrates on recording, processing, and reporting business transactions and events, use of the trial balance and how to identify and correct errors and the preparation of financial statements for incorporated and unincorporated entities.

Progression to: Financial Reporting

Management Accounting

Outline content: Management Accounting is designed to develop knowledge of accounting techniques to support management in planning, controlling and monitoring performance of a business in a variety of contexts. The syllabus introduces candidates to elements of management accounting which are used to make and support decisions and begins with introducing the nature of and sources of information, and purpose of cost accounting and costing techniques; the preparation and use of budgeting and standard costing and variance analysis; and concludes with an introduction to measuring and monitoring the performance of an organisation.

Progression to: Business Performance Management

Law

Outline content: Law is designed to introduce students to the legal framework of business law and regulations relating to the role and work of professional accountants. The syllabus begins with a general overview of the local legal system, including introducing sources of law and the judicial system, and progresses to consider laws and regulations on companies, corporate governance, dissolution and insolvency; the full life cycle of a company starting from formation, management, financing and closing (either by dissolution or insolvency); contract law, tort and negotiable instruments; anti-corruption laws and the standard code of ethics required of professional accountants.

INTERMEDIATE LEVEL

The Intermediate Level modules build on the modules studied in the previous level and develop competencies with a particular focus on application of knowledge using realistic scenarios. The range of subjects studied will allow progression to the Advanced Level, where higher skills are developed and assessed.

Financial Reporting

Progression from: Financial Accounting

Outline content: The aim of Financial Reporting is to ensure that students develop competencies in applying IFRS and interpreting financial statements. It addresses the contributions and inherent limitations of financial statements; the preparation of financial statements for single entities; and the evaluation of financial statements.

Progression to: Financial Reporting and Evaluation

Business Performance Management

Progression from: Management Accounting

Outline content: The aim of Business Performance Management is to ensure that students develop application skills of various budgeting and cost accounting principles, concepts and techniques appropriate for planning, decision-making and control, and the ability to apply these techniques in the generation of management performance reports. Students are introduced also to key management accounting concepts applied in the public sector. The course deals specifically with applying contemporary management accounting techniques to management problems; choosing relevant data to support management decision making and applying appropriate techniques; explaining and evaluating the key features of Management Accounting systems; and using competently appropriate financial and non-financial measures to support the achievement of business objectives.

Progression to: Business Strategy, Governance and Risk Management

Financial Management

Progression from: New topic

Outline content: Financial Management is specifically designed to enable the finance manager to recommend relevant options for financing a business, recognising and manage financial risks, and make appropriate investment decisions. It addresses capital requirements and asset financing options; risk analysis and mitigation; and the application of investment appraisal techniques.

Taxation

Progression from: New topic

Outline content: The Taxation module is designed to provide an introduction and in-depth understanding of taxation, and to develop understanding and knowledge of the local tax system. The module aims to deal with the different regimes of taxation and different forms of tax and tax administration. It addresses the objectives and function of taxation; tax calculations relating to salaries, personal income tax, corporate income tax, VAT, property tax, patent tax, and import and export duties. It specifically addresses ethical issues relating to tax.

Audit and Assurance Practice

Progression from: New topic

Outline: This module is designed to introduce students to modern, risk-based audit methods for both audit and assurance, as well as to provide candidates with the necessary knowledge and higher-level competencies to perform the responsibilities of an auditor within the framework of relevant legislation and international standards. Module outcomes are based on the requirements of the International Standards on Auditing (ISAs).

Progression to: Advanced Audit and Practice

ADVANCED LEVEL

The Advanced Level positions students to meet the requirements of a fully qualified professional accountant with knowledge and competencies recognisable across the world. The focus of the modules that comprise this level is to develop the competencies of students to the point where they can make competent professional judgements and evaluations arising from an analysis of complex situations. After completing this level, students will be able to demonstrate analytical capabilities that require the linking of knowledge components, recognising alternatives, and identifying problems and issues that are not immediately apparent, but which nonetheless require resolution. In arriving at informed evaluations, students will then be able to draw conclusions and advise clients in an effective manner.

Financial Reporting and Evaluation

Progression from: Financial Reporting

Outline content: The aim of this module is to ensure that candidates apply the appropriate judgement and technical competence in the preparation and interpretation of financial statements for complex business entities, including business combinations. Students must also be able to evaluate and communicate the impact of current issues and developments in corporate reporting to those who may not have that technical expertise.

Business Strategy, Governance and Risk Management

Progression from: Business Performance Management and Financial Management

Outline content: The module enables students to understand and apply tools and models to develop competencies in strategic analysis, choice, and implementation. Students will become competent in the use of management information to measure and monitor strategic performance. A comprehensive review will be undertaken of good governance practice, all developed within applicable ethical frameworks. Evaluating complex scenarios will be a feature of the module, based on complex data, financial and stakeholder analysis, and including making recommendations.

Advanced Audit and Practice

Progression from: Audit and Assurance Practice

Outline content: Important issues of practice and engagement management will be dealt with which will enable students to provide advice on a wide range of audit and assurance assignments. Engagement planning, execution, and reporting remain the focus of the module and a deep engagement with ethical issues and appropriate behaviour will inform much of the development of student abilities as they apply their skills to a variety of complex audit and assurance problems.

ASSESSMENTS

The syllabus is designed to be supported by a valid and reliable assessment approach. This will ensure that the competencies set out in competency matrix are achieved and demonstrated through student assessments which are in accordance with [IES 6: Assessment of Professional Competence](#). For the student, a clear link between learning and achievement demonstrated in the examinations will ensure that the process of qualifying as a professional accountant is as transparent as possible.

Assessment levels:

- Questions at the Foundation Level are most likely to provide students with information and relatively simple limited scenario content that they can use as a basis to calculate, compile and prepare responses to specific requirements.
- Questions at the Intermediate Level are most likely to provide students with relatively straightforward but realistic scenarios and supporting information asking them to prepare more technically complex outputs that are more focused on client requirements.
- Questions at the Advanced Level will almost always begin with a scenario that is more challenging in terms of the type of business addressed, or containing a higher level of complexity, with requirements that will be reported to a third party or supervisor that require analysis, critical comment, evaluation of alternatives and effective articulation. Often requirements will allow for higher level skills of evaluation, synthesis and judgement. Some requirements may contain issues that are not immediately apparent.

Assessments for each of the levels will be by examination only. The examinations differ according to the level, but the pass mark is 50% for each examination.

- For the Foundation Level, each subject will be assessed by an examination lasting 2 hours and will be examined entirely by objective test questions. There will be no additional reading time for these examinations.
- For the Intermediate Level, each subject will be assessed by an examination lasting 3 hours and will comprise questions requiring discursive and/or quantitative responses. There will be an additional 15 minutes reading time.
- For the Advanced Level, each subject will be assessed by an examination lasting 3.5 hours and will comprise questions requiring discursive and/or quantitative responses. There will be an additional 15 minutes reading time.

DEVELOPMENT OF TECHNICAL COMPETENCE IN A REGULATORY ENVIRONMENT

This syllabus contains detailed specifications of the extent and depth of knowledge required of laws, regulations, codes and standards within relevant subjects. These specifications are updated annually as changes take place in the regulatory environment, so that students know exactly what is and is not examinable.

Major periodic reviews will be undertaken to ensure sustained relevance and the extent of these will depend on a wider set of factors including, but not restricted to, substantial changes in the economic or regulatory environment, revised stakeholder requirements, and planned strategic developments in the professional qualification.

INTEGRATION OF BUSINESS AND PROFESSIONAL ETHICS

Elements of professional ethics are included in the syllabus *throughout the qualification* and, specifically, in a number of modules, as identified in the detailed syllabus.

PASS MARKS AND PROGRESSION

All papers shall be marked out of 100. To pass any paper, a candidate must obtain at least 50%.

The progression through the qualification is indicated in the detail of the syllabus content and are subject to exemptions granted. It is not a requirement of the qualification that any combination of subjects is required to be passed *within a level*.

ENTRANCE REQUIREMENTS

The requirements of [IES 1](#) will have to be observed and the entry requirements must meet also the requirements of the key stakeholders.

WORK EXPERIENCE REQUIREMENTS

The requirements of [IES 5](#) will have to be observed and meet also the requirements of the key stakeholders, notably the employers who will manage and monitor work experience.

EXEMPTION POLICY

Thorough exemption policy will be developed to assess and recognize local and international professional qualifications and university education.

Holders of accredited professional qualifications and degree holders from accredited universities will be allowed credit for recognised qualifications. The list of accredited universities is the subject of a separate document.

EXIT QUALIFICATIONS

There are three qualifications available in the programme of study:

- a) Qualification equivalent to a technician accountant function: for those individuals who have successfully completed the Foundation Level of the qualification.
- b) Qualification equivalent to a general accountant function: for those individuals who have successfully completed the Intermediate Level of the qualification.
- c) Qualification equivalent to a professional accountant function: for those individuals who have successfully completed the Advanced Level of the qualification. The Professional Accountant qualification must generally be accompanied by acceptable work experience in order for the individual to engage in public practice and to become a member of a PAO.

The detailed syllabus

FOUNDATION LEVEL

BMT – Business Management and Technology

Business Management and Technology introduces the basic structures and processes involved in organisations and identifies the impact of the business environments and how information is managed to support business objectives. It considers, in detail, entity types, their purpose and objectives; how the business environment influences business decisions; the business planning process and the impact of behavioural issues; the basic operations of a business; how information is used and managed; and concludes with a description of the basic business models used to support management decisions.

On completion of this module, candidates will reach a competency sufficient to be able to:

- a) Describe entity types, their purpose and objectives
- b) Explain the role of ethics in business and accounting
- c) Explain basic business organisational structures and processes
- d) Explain how the business environment influences business decisions
- e) Describe the business planning process, including the impact of behavioural issues
- f) Explain the basic operations of business functions
- g) Identify and explain how business information is managed
- h) Describe and apply basic business models to support management decisions
- i) Describe accounting and reporting systems, controls and compliance

The following grid shows the relative weightings of topics within this subject and should guide the required study time spent on each. The marks available in the assessment will approximately equate to the weightings below.

SYLLABUS COVERAGE		WEIGHT (%)
A	Entity types, purpose and objective	7
B	Role of Ethics	8
C	Organisational structures and processes	10
D	Business environment and decisions	10
E	Business planning processes and behaviour	15
F	Operations and business functions	15
G	Business information and technology management	10
H	Business models and management decisions	15
I	Accounting and reporting systems, controls and compliance	10
TOTAL		100

In the assessment, candidates may be required to:

a) Describe entity types, their purpose and objectives

- Describe and explain the differences between business entity types, including:
 - sole traders
 - partnerships
 - limited liability partnerships
 - alliances and groups
 - non-profit organisations
- Explain the advantages and disadvantages of each of these organisational forms
- Identify and explain the nature of the key stakeholders of an organisation
- Distinguish between the responsibilities of those charged with governance from management
- Describe the nature of business ethics, and corporate and social responsibility

b) Explain the role of ethics in business and accounting

- Fundamental principles of ethical behaviour
- The role of regulatory and professional bodies in promoting ethical and professional standards in the accountancy profession
- Corporate codes of ethics
- Ethical conflicts and dilemmas

c) Explain basic business organisational structures and processes

- Explain organisation form and the factors that determine structural choice, including consideration of:
 - sole traders
 - partnerships
 - companies
 - public corporations
- Describe organisation structures and explain the processes that determine organisational choice including consideration of the following forms:
 - centralised
 - decentralised
 - matrix
 - mixed
 - network
 - virtual types

d) Explain how the business environment influences business decisions

- Describe and explain the relationship between the organisation's internal and external environments, including consideration of the
 - Microeconomic factors
 - Macroeconomic factors
 - Regulatory environment
 - Social and demographic factors
 - Technological factors
 - Environmental factors
 - Competitive factors
- Describe and explain the process of business planning
- Define vision, mission, values and objectives for an organisation
- Describe and explain the relationship between strategic, business and operational plans
- Describe and explain the process of strategic plan development

e) Describe the business planning process, including the impact of behavioural issues

- Describe and explain the relationships between business functions, activities and processes and their support for achieving business objectives
- Outline the key business functions and describe the relationship between entity and functional strategies
- Describe and explain key aspects of organisational behaviour including key concepts of:
 - Formal and informal organisation
 - Culture
 - Leadership and management
 - Individual and group effectiveness and communication in organisations:
 - ✓ Personal effectiveness techniques,
 - ✓ Consequences of ineffectiveness at work,
 - ✓ Competence frameworks and personal development,
 - ✓ Sources of conflicts and techniques for conflict resolution and referral,
 - ✓ Communicating in business
 - Team formation, development and management
- Motivation of management and employees

f) Explain the basic operations of business functions

- Describe and explain key aspects of the management of human resources including
 - Role of Human Resource Management Function
 - Recruitment Process
 - Training and Development of Employees
 - Disciplinary Procedures in Human Resource Management
 - Compensation Systems
 - Organisational Health and Safety
- Duties and Responsibilities of Employees and Employers
- Describe and explain key aspects of the marketing management including
 - Marketing Concepts
 - Strategic Roles of Marketing in Organisations
 - Elements of a Marketing Plan
 - Market Segmentation and Targeting
 - Elements of Marketing Mix and their Intermediate
 - Pricing Strategy- Design and Implementation
- Customer Care strategy
- Describe and explain key aspects of the operations management including
 - Types of production process: Job; Batch; and Flow
 - Methods of Plant Layout: Product; Process; and Fixed Position
 - Inventory procurement, control and management
- Quality Control in operations management

g) Identify and explain how business information is managed

- Describe the nature of data, information and information technologies that support modern information systems
- Explain the main information systems used by entities including business process systems, and executive information systems
- Identify the main risks to the development of new systems and to reliability of data and information
- Describe how to protect systems, data and information from internal and external security threats, including when working with third parties.
- Explain how the main information and technology risks may be managed and controlled

h) Describe and apply basic business models to support management decisions

- Describe and apply basic business models to support management decisions including
 - PEST analysis
 - Porter's five forces analysis
 - P's of marketing
 - Product life cycles
 - Boston Consulting Group matrix
 - SWOT analysis

i) Describe accounting and reporting systems, controls and compliance

- Accounting and finance functions within business organisations
- Principles of law and regulation governing accounting and auditing
- Fraud and fraudulent behaviour and their prevention in business, including money laundering
- The impact of Financial Technology on accounting systems

FA - Financial Accounting

Financial Accounting is designed to ensure that candidates have a sound understanding of the techniques of double entry accounting and can apply its principles in recording transactions, adjusting financial records and preparing non-complex financial statements. The syllabus introduces the candidate to the fundamentals of the regulatory framework relating to accounts preparation and to the qualitative characteristics of useful information, covers drafting financial statements and the principles of accounts preparation. The syllabus concentrates on recording, processing, and reporting business transactions and events, use of the trial balance and how to identify and correct errors and the preparation of financial statements for incorporated and unincorporated entities.

On completion of this module, candidates will reach a competency sufficient to be able to:

- a) Explain the context and purpose of financial accounting
- b) Define the qualitative characteristics of financial information
- c) Record transactions and events using the use of double-entry accounting system
- d) Prepare an extended (adjusted) trial balance
- e) Prepare basic financial statements for incorporated and unincorporated entities.
- f) Interpret financial statements

The following grid shows the relative weightings of topics within this subject and should guide the required study time spent on each. The marks available in the assessment will approximately equate to the weightings below.

SYLLABUS COVERAGE		WEIGHT (%)
A	Context and purpose of financial accounting	5
B	Qualitative characteristics of financial information	5
C	Transactions and events recording using the double-entry accounting system	30
D	Extended (adjusted) trial balance	20
E	Basic financial statements for incorporated and unincorporated entities.	30
F	Interpretation of financial statements	10
TOTAL		100

In the assessment, candidates may be required to:

a) Explain the context and purpose of financial accounting

- Explain the scope and purpose of financial statements for external reporting as distinct from cost and management accounting used by internal company management
- Identify users of financial statements and their information needs
- Outline the regulatory framework which requires and regulates external financial reporting (legislation and regulation, reasons and limitations, relevance of accounting standards)
- Define the duties and responsibilities of those charged with governance, including the ethical considerations for preparers of financial statements

b) Explain the qualitative characteristics of financial information

- Describe the main elements of financial reports
- Explain the qualitative characteristics of financial information

c) Record transactions and events using the double entry accounting system

- Identify the sources of information for the preparation of accounting records and financial statements, particularly to:
 - Source documentation
 - Books of prime entry
 - Ledgers
- Record and account for transactions and events that generate the following items on the income statement and balance sheet. :
 - Sales and purchases
 - Cash
 - Inventory
 - Tangible non-current assets and depreciation
 - Intangible non-current assets and amortisation
 - Accruals and prepayments
 - Receivables and payables
 - Provisions and contingencies
 - Capital structure and finance costs
- Record and account for changes in equity or capital, paying particular attention to:
 - Changes in capital for sole traders and limited companies
 - Admission and withdrawal of partners in a partnership
 - Changes to investments in a partnership, whether by debt or capital
 - Dissolution of partnerships and liquidation of partnerships and businesses
 - Preparation of a trial balance

d) Prepare an extended (adjusted) trial balance

- Identify omissions and errors in accounting records and financial statements and record and account for the required adjustments, paying attention to the use of:
 - Control account reconciliations
 - Bank account reconciliations
 - Suspense accounts
 - Journals
- Prepare an extended trial balance

e) Prepare basic financial statements for incorporated and unincorporated entities

- Prepare final accounts of sole traders, partnerships and simple companies from the extended or adjusted trial balance, to include where appropriate:
 - Statement of profit or loss and other comprehensive income
 - Statements of financial position
 - Cash flow statements
 - Disclosure notes
- Prepare final accounts of a simple non-profit organisation to meet the information requirements of the entity
- Preparing simple consolidated financial statements – subsidiaries and associates

f) Interpret financial statements

- Identify and calculate key ratios from financial statements
- Analyse performance and position of the entity using ratios and other information

MA - Management Accounting

Management Accounting is designed to develop knowledge of accounting techniques to support management in planning, controlling and monitoring performance of a business in a variety of contexts. The syllabus introduces candidates to elements of management accounting which are used to make and support decisions and begins with introducing the nature of and sources of information, and purpose of cost accounting and costing techniques; the preparation and use of budgeting and standard costing and variance analysis; and concludes with an introduction to measuring and monitoring the performance of an organisation.

On completion of this module, candidates will reach a competency sufficient to be able to:

- a) Describe and explain the scope of management accounting within both commercial and public sector organisations
- b) Select and apply appropriate forecasting techniques to assist in budget preparation
- c) Define and explain the purpose of budgets and budgetary control
- d) Select appropriate budgeting approaches and methods and prepare budgets
- e) Identify and describe the costs associated with the production of products and provision of services and use them to determine prices
- f) Calculate and explain differences between actual performance and standards or budgets

The following grid shows the relative weightings of topics within this subject and should guide the required study time spent on each. The marks available in the assessment will approximately equate to the weightings below.

SYLLABUS COVERAGE		WEIGHT (%)
A	Scope of management accounting	10
B	Forecasting techniques	15
C	Purpose of budgeting and budgetary control	10
D	Budgeting approaches	20
E	Cost of production and provision of services	25

F	Performance differences	20
TOTAL		100

In the assessment, candidates may be required to:

a) Describe and explain the scope of management accounting within both commercial and public sector organisations

- Explain the nature and purpose of management accounting, specifically addressing:
 - objectives of management accounting
 - relationship between management accounting and financial accounting
 - reasons for measuring costs in relation to purpose: valuation, profit measurement, decision making and control
- Describe the role of management accounting within commercial and public sector organisations:
 - recording and collation of accounting information that is relevant for management
 - achieving economy, efficiency and effectiveness
 - monitoring and managing the performance of business operations
 - planning and decision making
- Explain the various cost models and the nature of cost behaviour:
 - cost definitions and elements of cost
 - principles of cost behaviour, including service costs
 - the concept and calculation of full cost
 - responsibility accounting, including public services' approaches
 - classification and analysis of overhead costs
 - methods for allocation and apportionment of overhead costs
- Describe typical public service activities and costing scenarios:
 - case driven services
 - recurring services
 - specific one-off projects

b) Select and apply appropriate forecasting techniques to assist in budget preparation

- Sampling methods
- Forecasting techniques
- Summarising and analysing data
- Spreadsheets

c) Define and explain the purpose of budgets and budgetary control

- Define budgets and budgeting
- Explain the importance of effective budgeting for organisational performance
- Explain the role of a budget as authorisation to spend
- Explain the differing budgeting models
 - incremental budgeting
 - zero based budgeting
 - priority based budgeting
 - planned programme budgeting systems
 - performance based budgeting
 - participatory budgeting
 - resource restricted budgeting
- Explain the scope and importance of budgetary control systems:
 - nature of control systems, feedback and feed forward control
 - objectives of budgeting as a financial management tool
 - budget building processes, top-down versus bottom-up budget building process
 - the role of standards in budgetary control

d) Select appropriate budgeting approaches and methods and then prepare budget

- Select the most appropriate of the following budgeting approaches and methods, considering their advantages and disadvantages for planning, control and motivation:
 - bottom-up and top-down approaches to generating and managing budgets
 - activity-based, responsibility-based and product-based budget structures
 - zero-based and incremental budgeting
- Prepare and interpret the following budgets for commercial and public sector organisations:
 - flexible budget
 - functional budget
 - master budget
 - cash budget
 - capital budget
- Prepare and interpret working capital budgets
- Calculate the cash cycle for a business and explain its significance
- Identify the constituent elements of working capital and treasury and specify the methods by which each element can be managed to optimise working capital and cash flows
- Describe and explain how a business manages surpluses and deficits predicted in cash budgets

e) Identify and describe the costs associated with the production of products and provision of services and use them to determine prices

- Recognise the use of cost information for different purposes
- Classify costs as fixed, variable, direct or indirect
- Calculate unit costs from information provided, using:
 - Direct costing
 - Absorption costing and reconcile the differences between the costs obtained
- Select the most appropriate method of costing for a given product or service
- Calculate the sales price for a given product or service using cost-based pricing
- Calculate transfer prices for specified sales to internal customers which take account of appropriate costs

f) Calculate and explain differences between actual performance and standards or budgets

- Performance management - overview and application
- Cost reductions and value enhancement
- Monitoring performance and reporting
 - Calculate differences (basic variances) between actual performance and standards or budgets in terms of price and volume effects and identify possible reasons for those differences
 - Calculate profits under direct, absorption or marginal costing and reconcile the results under these different methods

LAW

Law is designed to introduce students to the legal framework of business law and regulations relating to the role and work of professional accountants. The syllabus begins with a general overview of the local legal system, including introducing sources of law and the judicial system, and progresses to consider laws and regulations on companies, corporate governance, dissolution and insolvency; the full life cycle of a company starting from formation, management, financing and closing (either by dissolution or insolvency); contract law, tort and negotiable instruments; anti-corruption laws and the standard code of ethics required of professional accountants.

On completion of this module, candidates will reach a competency sufficient to be able to:

- a) Describe the main elements of the legal framework including sources of law
- b) Understand and apply the relevant legal rules relating to the law of obligations
- c) Understand and apply the relevant employment legislation acts

- d) Demonstrate understanding of different types and formations of business organisations
- e) Distinguish and explain types of capital and the financing structure of companies
- f) Understand and explain how companies are managed, administered and regulated
- g) Demonstrate understanding of the legal implications relating to insolvency law
- h) Recognise and explain corporate fraudulent and criminal behaviour, and liability for breach of relevant laws and regulations
- i) Explain data protection and privacy regulations when collecting, generating, storing, accessing, using or sharing data and information.

The following grid shows the relative weightings of topics within this subject and should guide the required study time spent on each. The marks available in the assessment will approximately equate to the weightings below.

SYLLABUS COVERAGE		WEIGHT (%)
A	Legal framework and sources of law	20
B	Laws of obligations	10
C	Employment law	10
D	Types and formation of business organisations	10
E	Types of company capital and finance	10
F	Management, organisation and regulation of companies	10
G	Insolvency law	10
H	Fraudulent and criminal behaviour, liability for breach of regulations	10
I	Data protection and privacy regulations when collecting, generating, storing, accessing, using or sharing data and information.	10
TOTAL		100

In the assessment, candidates may be required to:

a) Describe the main elements of the legal framework including sources of law

- Explain law and distinguish types of law
- Define the purpose and significance of the Constitution
- Describe legislation and the different forms it may take
- Explain and describe the structure of the courts
- Describe the roles of the courts of general jurisdiction and the courts of arbitration
- Define the role of judges
- Describe the rights and legal capacity of citizens and legal entities
- Define the meanings of passive capacity and active capacity

b) Understand and apply the relevant legal rules relating to the law of obligations

- Define the nature of a contract
- Explain the meaning of an offer, and other types of representation
- Explain the meaning and consequence of acceptance
- Explain the main elements of a contract
- Distinguish between simple contracts and contracts executed in notarial form
- Explain methods of securing obligations
- Explain the meaning and the consequences of breach of contract
- Define tort and how obligations in tort arise.
- Explain the tests applied by the courts to establish whether a noncontractual obligation has arisen
- Discuss the consequences of damage or loss in relation to noncontractual obligations

c) Understand and apply the relevant employment legislation acts

- Explain the legal differences between the employed staff members and contractors who work under civil contracts
- Explain the nature of a labour agreement and the main duties of the parties to a labour agreement.
- Explain the grounds and conditions for dismissal.
- Explain the meaning of redundancy.
- Discuss the rights and obligations of employers and employees when an employee is dismissed.

d) Demonstrate understanding of different types and formations of business organisations

- Demonstrate a knowledge of the legislation governing simple partnerships
- Explain the formation of a partnership
- Explain the authority of partners in relation to partnership activity
- Explain the termination of a partnership and partners' subsequent rights and liabilities
- Explain the legal differences between individual entrepreneurs, partnerships and companies
- Explain the meaning and effect of limited liability
- Analyse the characteristics of, and differences between public companies and non-public companies
- Illustrate the effects of separate personality
- Recognise instances in which separate personality will be ignored
- Explain the procedure for registering different types of limited company
- Explain the statutory capital requirements for establishing different types of company
- Explain the content and effect of the Charter
- Explain the purposes of the inner documents of a company
- Explain the forms of voluntary representation permitted by the Civil Code
- Explain power of attorney and the provisions of the Civil Code in relation to executing a valid power of attorney
- Distinguish the main forms of voluntary representation, especially commission, mandate and agency

e) Distinguish and explain types of capital and the financing structure of companies

- Examine and explain different meanings of capital
- Describe the differences between ordinary shares and preference shares
- Explain the placement of shares and subsequent issues of shares
- Explain the rights of shareholders
- Describe the legal provisions applicable to increasing and reducing share capital
- Explain the consequences of increasing and reducing share capital
- Distinguish loan capital from share capital
- Explain the rights of providers of long-term capital
- Explain the rules governing the recommendation and distribution of a dividend

f) Understand and explain how companies are managed, administered and regulated

- Explain the role of directors and the executive body in the operation of a company
- Distinguish between the powers of the directors or executive body and the shareholders
- Explain the matters that fall within the exclusive competence of the directors or executive body and the shareholders
- Discuss the appointment procedure relating to, and the duties and powers of, a company's external auditors
- Discuss the appointment procedure relating to, and the duties and powers of, a company's Internal Audit Commission
- Distinguish between types of general meetings of shareholders
- Detail the legal requirements in relation to convening and conducting meetings of shareholders
- Explain the role of the Tabulation Commission
- Explain how decisions are made at meetings, including voting procedures
- Describe types and forms of state control and supervision of entrepreneurial activity
- Explain state regulation of accounting and audit companies

g) Demonstrate understanding of the legal implications relating to insolvency law

- Describe the meaning of insolvency law
- Discuss the criteria and procedure applied to establish insolvency
- Explain the role of the arbitration manager through the various stages of insolvency, including observation, recovery and external management
- Explain the procedure involved in liquidation and settlement of obligations, including the ranking of payables

h) Recognise and explain corporate fraudulent and criminal behaviour, and liability for breach of relevant laws and regulations

- Recognise the nature and legal control over activities that may destabilise securities markets
- Recognise the nature and legal control over money laundering
- Recognise the nature and legal control over bribery
- Describe types of liability for violation of the law
- Explain criminal liability for violation of legislation in the field of business
- Explain administrative liability for violation of legislation in the field of business

i) Explain data protection and privacy regulations when collecting, generating, storing, accessing, using or sharing data and information

INTERMEDIATE LEVEL

FR – Financial Reporting

Financial Reporting and Disclosure develops the competencies in applying IFRS and of interpreting financial statements. It addresses the contributions and inherent limitation of financial statements; the preparation of financial statements for single entities; and the evaluation of financial statements.

On completion of this module, candidates will reach a competency sufficient to be able to:

- a) Demonstrate an understanding of international and national regulatory, legal and ethical frameworks for financial reporting, the International Accounting Standards Board (IASB) Conceptual Framework for Financial Reporting, and their practical implications for financial reporting
- b) Explain and apply appropriate accounting and financial reporting policies in the preparation of financial statements
- c) Record complex transactions in financial statements
- d) Prepare and present single entity financial statements in accordance with IFRSs
- e) Determine the approach to accounting for business combinations and prepare consolidated financial statements
- f) Analyse and interpret financial statements for relevant stakeholders and other users

The following grid shows the relative weightings of topics within this subject and should guide the required study time spent on each. The marks available in the assessment will approximately equate to the weightings below.

SYLLABUS COVERAGE		WEIGHT (%)
A	Regulatory, legal and ethical frameworks	5
B	Accounting and financial reporting policies	5
C	Accounting for transactions in financial statements	50
D	Single entity statements	10
E	Business combinations	15
F	Evaluating financial statements	15
TOTAL		100

In the assessment, candidates may be required to:

a) Demonstrate an understanding of the international regulatory, legal and ethical frameworks, the International Accounting Standards Board (IASB) Conceptual Framework for Financial Reporting, and their practical implications for financial reporting

- Identify the role of the IASB and describe the standards setting process including:
 - IASB
 - International Financial Reporting Interpretations Committee (IFRIC)
- Discuss the status, scope and coverage of IFRSs including:
 - compliance requirements of the IFRS regime
 - role and scope of Generally Accepted Accounting Principles (GAAP) locally and internationally
- Discuss the benefits and drawbacks of global harmonisation of financial reporting standards including:
 - history and rationale for harmonisation, role of the IASB, Financial Accounting Standards Board (FASB) and the Memorandum of Understanding between IASB and FASB
 - implications of current global agreements on financial reporting standards
 - timetable for harmonisation of financial reporting standards
- Explain the implications of contemporary issues for the ethical framework under which financial reporting is performed, including:
 - the inherent limitations of financial statements
 - impact of the Enron case, IESBA Code of Ethics and the development of Corporate Governance Codes

b) Explain and apply appropriate accounting and financial reporting policies in the preparation of financial statements

- Discuss and apply the requirements of the International Accounting Standards Board's (IASB) Conceptual Framework for Financial Reporting:
 - the users of financial statements and their information needs
 - components of a complete set of financial statements (primary statements and notes)
 - assumption underlying the preparation of financial statements
 - qualitative characteristics of financial statements
 - recognition and measurement of elements of financial statements
 - concepts of capital and capital maintenance
- Discuss and apply the requirements of accounting standards and accounting concepts in the selection and application of accounting policies, including:
 - requirements of International Accounting Standard (IAS) 8 in respect of accounting policies
 - detailed application of more advanced accounting concepts (such as substance over form)

c) Record complex transactions in financial statements

- Tangible non-current assets
- Intangible assets
- Impairment of assets
- Inventory and biological assets
- Financial instruments
- Leasing
- Provisions and events after the reporting period
- Taxation
- Reporting financial performance
- Revenue
- Government grants
- Foreign currency transactions

d) Prepare and present single entity financial statements in accordance with IFRS

- Prepare prescribed financial statements and draft the relevant disclosure notes in accordance with appropriate accounting and financial reporting standards:
 - statement of profit or loss and other comprehensive income
 - statement of changes in equity
 - statement of financial position
 - statement of cash flows
 - disclosures notes

e) Determine the approach to accounting for business combinations and prepare consolidated financial statements

- Determine the entities for inclusion in group accounts:
 - definition of a business combination
 - methods of accounting for business combinations including investments in subsidiaries, associates and joint ventures
- Explain the treatment of intangible assets in group accounts and on the acquisition of new businesses:
 - identification of intangible assets acquired
 - the implications of fair value and other adjustments and related disclosures
- Prepare simple group financial statements of a parent with one subsidiary:
 - definition of 'control', pre-and post-acquisition profits
 - non-controlling interests, goodwill
 - full and proportionate approaches to consolidation
 - treatment of intra group transactions and balances
 - goodwill impairment, disclosures
- Prepare simple group financial statements with one associate and/or one joint venture:
 - definition of significant influence
 - equity accounting, exceptions to the equity accounting approach
 - impairment losses, disclosures

e) Analyse and interpret financial statements for relevant stakeholders and other users

- Recognise the limitations of published financial information in meeting users' needs, including the limitations of historical cost accounting
- Explain the scope of financial statement analysis in providing decision-useful information regarding financial position, financial performance and cash flow
- Calculate and interpret accounting ratios and trends, appropriate to various users, covering the following categories of ratios:
 - profitability and return
 - efficiency
 - short term solvency and liquidity
 - long term solvency and stability
 - shareholder investment
- Compare the role, strengths and weaknesses and practical uses of accounting ratios, key performance indicators and benchmarking exercises
- Interpret financial statements and prepare appropriate reports for relevant stakeholders
- Specialised, not-for-profit, and public sector entities

BPM – Business Performance Management

The aim of Business Performance Management is to ensure that students develop application competencies of various budgeting and cost accounting principles, concepts and techniques appropriate for planning, decision-making and control, and the ability to apply these techniques in the generation of management performance reports. Students are introduced to key management accounting concepts applied in the public sector. The course deals specifically with applying contemporary management accounting techniques to management problems; choosing relevant

data to support management decision making and applying appropriate techniques; explaining and evaluating the key features of Business Performance Management systems; and using competently appropriate financial and non-financial measures to support the achievement of business objectives.

On completion of this module, candidates will reach a competency sufficient to be able to:

- a) Identify, explain and apply contemporary approaches to standard costing of products and services and explain and comment on their application
- b) Identify, describe and calculate relevant data for use in management decision making and explain and comment on their application.
- c) Use management information to apply management decision making techniques
- d) Identify and explain the key features of effective business performance management systems
- e) Analyse the adequacy of systems, processes and controls for collecting, generating, storing, accessing, using, or sharing data and information
- f) Explain and evaluate the business performance management systems for both profit and non-profit organisations
- g) Select, apply and justify appropriate financial and non-financial performance measures which effectively encourage organisations to meet their objectives

The following grid shows the relative weightings of topics within this subject and should guide the required study time spent on each. The marks available in the assessment will approximately equate to the weightings below.

SYLLABUS COVERAGE		WEIGHT (%)
A	Contemporary approaches to standard costing	10
B	Relevant data for management decision making	15
C	Decision making techniques	15
D	Features of business performance management systems	10
E	Analysis of the adequacy of systems, processes and controls for collecting, generating, storing, accessing, using, or sharing data and information	20
F	Evaluation of business performance management systems	20
G	Financial and non-financial performance measures	10
TOTAL		100

In the assessment, candidates may be required to:

a) Identify, explain and apply contemporary approaches to standard costing of products and services and explain and comment on their application

- Identify controllable products and services and appropriate information sources
- Explain the key features and issues of budgetary control:
 - variances, profiling of budgets, effects of budgetary control on decision makers
 - importance of negotiation and influencing in budgeting
 - constructive and destructive behaviour
- Explain the various costing methods available:
 - job costing
 - service costing
 - throughput accounting
 - environmental accounting
 - process costing
 - absorption costing
 - marginal costing
 - activity based costing
- Calculate and interpret variances and prepare management reports, including consideration of:
 - basic variances: sales, material, labour and overheads
 - mix and yield variances
 - operating statements: reconciliation of budgeted results with actual results using variances
 - productivity, efficiency and capacity ratios
 - causes of and analysis of variances
 - behavioural aspects of standard costing
- Apply cost volume profit analyses (CVP):
 - CVP model, assumptions, limitations and practical implementation of CVP to the public sector
 - comparison between the approaches of accountants and economists to CVP breakeven and profit volume charts
 - implications of CVP analysis for decision making

b) Identify, describe and calculate relevant data for use in management decision making and explain and comment on application of the data.

- Calculate the breakeven point, contribution and margin of safety for a given product or service
- Estimate the relative merit of a make or buy proposal
- Allocate scarce resource to those products or services with the highest contribution per limiting factor
- Calculate the net present value, internal rate of return, payback period or accounting rate of return for a given project
- Identify and comment upon the advantages and disadvantages of the investment appraisal techniques: net present value, internal rate of return, payback period or accounting rate of return for a given project
- Identify and explain ethical issues relating to the preparation, presentation and interpretation of financial information for the management of a business

c) Use management information to apply management decision-making techniques

- Apply relevant cost principles to short-term decisions:
 - suitability of techniques to short term decisions only
 - relevant and non-relevant costs, concept of opportunity costs
 - cost statements for decision-making in practical situations
- Explain and apply data analytics and visualisation tools and techniques, to enhance a presentation, communication and interpretation of data and information for decision-making

d) Identify and explain the key features of effective business performance management systems

- Identify the reasons for and explain the key features of effective business performance management systems
- Identify and explain the role of controls in ensuring effective business performance management

e) Analyse the adequacy of information systems, processes and controls for collecting, generating, storing, accessing, using, or sharing data and information.

- Explain and map data and information flows both internally and externally
- Explain data and information protection control measures against unauthorised access
- Analyse the effectiveness and efficiency of information systems
- Identify process and control failures and recommend mitigations or improvements

f) Explain and evaluate the business performance management systems for both profit and non-profit organisations

- Explain and evaluate business performance management systems for both profit and non-profit organisations, including consideration of:
 - identifying the sources of management information
 - preparing appropriate management reports
 - describing and explaining the scope of performance measurement
 - preparing divisional performance appraisal reports
 - evaluating transfer pricing
 - evaluate external considerations and behavioural aspects of business performance management systems

g) Select, apply and justify appropriate financial and non-financial performance measures which effectively encourage organisations to meet its objectives

- Explain how performance measures and compliance measures are integrated into the general systems of control in businesses
- Select, apply and justify appropriate financial and non-financial performance measures which effectively encourage organisations to meet their objectives, paying particular attention to:
 - Performance measures used over a range of both commercial and public sector circumstances
 - Divisional and other within-organisation performance measures
 - Behavioural considerations in both the creation, use, and reporting of performance reports

FM – Financial Management

Financial Management is specifically designed to enable the finance manager to recommend relevant options for financing a business, recognising and manage financial risks, and making appropriate investment decisions. It addresses capital requirements and asset financing options; risk analysis and mitigation; and the application of investment appraisal techniques.

On completion of this module, candidates will reach a competency sufficient to be able to:

- a) Explain the environment for financial management
- b) Explain the sources of finance available to businesses
- c) Apply financial investment appraisal techniques to assist in the process of evaluating capital projects
- d) Explain effective treasury management and apply techniques to manage financial risk
- e) Demonstrate efficient and effective working capital management techniques
- f) Apply business valuation methods

The following grid shows the relative weightings of topics within this subject and should guide the required study time spent on each. The marks available in the assessment will approximately equate to the weightings below.

SYLLABUS COVERAGE		WEIGHT (%)
A	The environment for financial management	10
B	Sources of finance	10
C	Investment appraisal techniques	20
D	Financial risk management	20
E	Working capital management	20
F	Business valuations	20
TOTAL		100

In an assessment, candidates may be required to:

a) Explain the environment for financial management

- Explain the environment in which financial management is practised:
 - public stakeholders and sources of funding
 - the role of collaboration between stakeholders
 - impact of the economic environment, government resources, financial markets and other external factors on financial strategy
 - alignment of financial strategy with overall organisational strategy
- Explain the principles of financial funding and structure:
 - an organisation's financial structure, including decisions concerning dividends and optimal capital structure
 - future funding requirements
 - funding options
 - importance of financial funding coherence
 - key financial performance indicators
- Describe the investment management environment:
 - the organisation's investment objectives
 - key financial institutions
 - key investment exchanges
 - organisational investment powers
 - role of investment management committees
 - roles and responsibilities of portfolio managers
- Describe the investment regulatory environment:
 - role of regulation and legislation
 - role of the Central Bank
 - ethics and corporate governance in terms of how it relates to investments
 - Socially Responsible Investing (SRI)

b) Explain the sources of finance available to businesses

- Explain the sources of finance available to businesses:
 - Sources of, and raising short-term finance
 - sources of, and raising long-term finance
 - raising short- and long-term finance through Islamic financing
 - internal sources of finance and dividend policy
 - gearing and capital structure considerations
 - finance for small and medium-size entities (SMEs)

c) Apply financial investment appraisal techniques to assist the process of evaluating capital projects

- Describe and explain the process of appraising the viability of capital projects:
 - revenue v capital expenditure
 - importance of non-financial factors in capital expenditure decision making
 - cash flows, benefits, risk identification and risk attitude
 - funding options and financial structure
 - investment and financing plans
 - risk and return
- Apply investment appraisal techniques to capital expenditure decision making:
 - payback
 - discounted payback
 - net present value
 - accounting rate of return
 - internal rate of return
- Prepare an optimal investment plan taking into account the following:
 - mutual exclusivity of projects
 - inflation and taxation
 - capital rationing
 - lease versus buy decisions
- Calculate and interpret the cost of capital:
 - weighted average cost of capital
 - Capital Asset Pricing Model
 - risk adjusted discount rates
- Apply non-financial factors in capital expenditure decision making:
 - weighted benefit criteria
 - cost benefit analysis
 - cost effectiveness studies
- Explain the following techniques to measure the risk in capital expenditure decision making:
 - simulation
 - sensitivity analysis

d) Explain effective treasury management and apply techniques to manage financial risk

- Explain the role of an organisation's treasury management function:
 - role of the treasury management function
 - accounting, budgeting and financial reporting
 - funding for long-term and short-term purposes
 - cash flow forecasting
 - decisions on borrowing and lending amounts and periods
 - bank relationships and credit ratings
 - evaluation and management of risk and return and the relationships to portfolios
- Explain the environment in which treasury management is practised
 - impact of organisational risk culture, values and financial objectives on an organisation's risk profile
 - categories of financial market risks – currency risk, interest rate risk, liquidity risk and credit risk
 - impact of market volatility
 - bull and bear markets
 - awareness of current financial market dynamics, trends and issues
 - monitoring of key financial market indices
 - practical lessons from recent financial market events
- Explain and apply risk management techniques:
 - hedging techniques and calculations
 - interpretation of yield curves
 - arbitrage
 - swaps and options
 - forward and futures contracts
 - FOREX (foreign exchange)
 - financial risk measurement models
 - qualitative risk assessment approaches
 - role of insurance

e) Demonstrate efficient and effective working capital management techniques

- Explain the scope of working capital management:
 - role of working capital
 - management of a working capital cycle
 - handling and transmitting cash
 - the use of external collection agencies and factoring
 - actions to improve accounts receivables position
 - ethical supplier payment policies
- Apply techniques to manage working capital:
 - simple and compound interest
 - using and taking early payment discounts
 - inventory management models: economic order quantities and re-order levels
 - cash management models: Baumol and Miller-Orr

f) Apply business valuation methods

- Describe the assumptions of market-based valuation models
- Calculate a valuation based on income, cash flow or asset bases
- Calculate the per share or total share value of a company
- Illustrate how sensitivity analysis can support a business or share valuation

TC – Taxation

The Taxation module is designed to provide an introduction to and in-depth understanding of taxation and develop understanding and knowledge on the local tax system. The module aims to deal with the different regimes of taxation and different forms of tax and tax administration. It addresses the

objectives and function of taxation; tax calculations relating to salaries, personal income tax, corporate income tax, VAT, property tax, patent tax, and import and export duties. It specifically addresses ethical issues relating to tax.

On completion of this module, candidates will reach a competency sufficient to be able to:

- a) Understand and explain the structure and scope of the local tax system
- b) Explain the principles of individual taxation and estimate tax liability of an individual and an employer
- c) Explain the principles of corporate income taxation; and estimate the profit tax liabilities applied to the legal entities
- d) Understand the principles of indirect taxation and estimate the effect of indirect taxes
- e) Explain the property taxation principles and compute the property tax liability for an individual and a legal entity
- f) Understand and apply customs duty requirements
- g) Understand and apply the principles of international taxation and double tax treaties

The following grid shows the relative weightings of topics within this subject and should guide the required study time spent on each. The marks available in the assessment will approximately equate to the weightings below.

SYLLABUS COVERAGE		WEIGHT (%)
A	Structure and scope of the tax system	20
B	Individual taxation	20
C	Corporate taxation	20
D	Indirect taxation	20
E	Property tax	10
F	Customs duty	5
G	International taxation	5
TOTAL		100

In the assessment, candidates may be required to:

a) Understand and explain the structure and scope of the tax system:

- The overall function and purpose of taxation in a modern economy
- The tax regulatory framework
- Special tax systems / tax regimes
- Tax administration
- The obligations of the taxpayer and/or their agents
- The forms of tax control
- The procedures relating to tax audit, appeals and disputes.
- The sanctions for tax violations, tax penalties and interest on late tax payments
- Ethical issues and taxation

b) Explain the principles of individual taxation and estimate tax liability of an individual and an employer:

- The scope of individual income tax
- Income from employment
- Income earned by individual entrepreneurs
- Dividend and other income
- Tax exemptions and deductions
- The comprehensive computation of taxable income and individual income tax liability
- Social security contributions - obligations of an individual and an employer
- Contributions made by employers for employees
- Contributions made by individual entrepreneurs with the disbursements to employed individuals

c) Explain the principles of corporate income taxation; and estimate the profit tax liabilities applied to legal entities:

- The scope of corporate profit tax
- Taxable income
- Deductible expenses and tax allowances
- The comprehensive computation of corporate profits tax liability
- Tax accounting for corporate profits tax
- The use of exemptions and reliefs in deferring and minimising corporate profits tax liabilities
- Tax incentives
- Transactions with associated parties and special tax adjustments

d) Understand the principles of indirect taxation and estimate the effect of indirect taxes:

- The scope of value added tax (VAT)
- VAT on import and offset of VAT input
- The computation of VAT liabilities
- Indirect taxes on transactions
- VAT payment and reporting
- The scope and applicability of sales tax
- Excises: taxable items, taxable base and rates

e) Explain the property taxation principles and compute the property tax liability for an individual and a legal entity:

- The scope of corporate and individual property tax
- The computation of corporate and individual property tax liabilities
- Payments and reporting requirements
- Application of property and land taxes

f) Explain customs duty requirements and compute customs duty:

- The scope of customs duty
- The computation of customs duty
- The administration of customs duty

g) Understand and apply the principles of international taxation and double tax treaties:

- International taxation principles
- Taxable revenues
- Application of double tax treaties

AAP – Audit and Assurance Practice

This module is designed to provide candidates with modern, risk-based audit methods for both audit and assurance. Its focus is on providing the core knowledge of audit processes from appointment, through to planning, performance and reporting. The risk-based approach adheres to International Standards of Auditing (ISA). It deals specifically with the nature of audit and assurance engagements and how ISA are developed and updated; regulatory, professional and ethical requirements; and accepting, planning, conducting and reporting on engagements.

On completion of this module, candidates will reach a competency sufficient to be able to:

- a) Define and explain the nature of audit and assurance engagements
- b) Identify and explain the regulatory, professional and ethical issues relevant to those carrying out an audit or assurance engagement
- c) Identify and explain the processes involved in accepting and managing audit or assurance engagements
- d) Plan for, and describe and explain, the performance of audit and assurance engagements in accordance with the terms of the engagements and appropriate standards
- e) Outline the nature of the evidence required for a specified audit or assurance engagement
- f) Outline the nature of the review required for a specified audit engagement
- g) Outline the procedures to conclude and draft a report on specified audit assurance engagements

The following grid shows the relative weightings of topics within this subject and should guide the required study time spent on each. The marks available in the assessment will approximately equate to the weightings below.

SYLLABUS COVERAGE		WEIGHT (%)
A	Nature of audit and assurance	5
B	Regulatory, professional and ethical issues	10
C	Accepting and managing engagements	25
D	Planning for engagements	30
E	Engagement evidence	10
F	Audit review	10
G	Concluding and reporting	10
TOTAL		100

In the assessment, candidates may be required to:

a) Define and explain the nature of audit and assurance engagements

- Define and explain the nature of audit and assurance engagements, paying attention to:
 - Definition and components of assurance
 - Auditing as a component of assurance
 - Historical perspective of auditing
 - Definition of auditing
 - Objectives of and the need for auditing
 - Types of auditing [external versus internal; statutory versus internal; financial versus performance/operational auditing]
 - Auditing and corporate governance
- Define and explain the role of internal audit and assurance in relation to external audit and Strategic Management Accounting, including reference to:
 - Internal audit and corporate governance
 - Differences between the external audit and the internal audit functions
 - The scope of the internal audit function
 - Outsourcing the internal audit function
 - Internal audit assignments
 - Risk-based internal audit
- Explain the differences between assurance engagements and audit engagements for profit and not-for-profit entities, including those in the public sector
- Describe the causes of audit failure and explain the concept of the 'audit expectations gap'

b) Identify and explain the regulatory and ethical issues relevant to those carrying out an audit or assurance engagement

- Explain the purposes and consequences of laws and other regulatory requirements surrounding audit and assurance work, paying attention to:
 - Relevant legislation detailing:
 - Qualification of an auditor
 - Appointing authority
 - Remuneration
 - Duties and rights of the auditor
 - Revocation of an auditor's license
 - Introduction and overview of International Standards on Auditing
 - International Regulation of Audit Practice
 - International Federation of Accountants
- Outline how International Standards on Auditing are developed and updated
- Explain the professional and ethical principles that apply for audit and assurance engagements
- Identify and explain professional and ethical issues that may arise for a specified audit or assurance engagement; explain how such issues may be mitigated; and identify when to refer such matters to senior colleagues

c) Identify and explain the processes involved in accepting and managing audit or assurance engagements

- Identify and explain the factors to consider prior to accepting a specified audit or assurance engagement, paying attention to:
 - the legal, professional and ethical considerations that must be considered
 - risk areas that may give rise to liability, including fraud, error and non-compliance
 - terms of engagement and related documentation

d) Plan for, and describe and explain, the performance of audit or assurance engagements in accordance with the terms of the engagements and appropriate standards

- Identify and explain, for a specified context, the nature of audit or assurance risk environment, paying attention to:
 - Explaining the necessity to understand the business or organisation environment
 - Identifying and explaining audit or assurance risks which may arise
 - Identifying and explaining ways in which an understanding of the organisation's environment may be gained
 - Identifying and explaining when it may be necessary to consult an expert
 - The implications for the audit and assurance plan
 - The implications for the audit or assurance agreement
- Plan for an audit or assurance engagement for a specified context, paying attention to:
 - The component of risks in the engagement (inherent risk, control risk and detection risk)
 - The assessment of materiality
 - The benefits and limitations of analytical procedures
- Identify relevant and reliable data and information to inform the assessment of an organisation's risks.
- Identify risks or threats to an organisation's security of data and information posed by the external environment, including in contracts with third party suppliers
- Determine an audit or assurance approach appropriate for an engagement for a specified organisation which addresses:
 - The nature of an organisation's internal control systems
 - The use of internal control systems by auditors
 - Transaction cycles
 - Tests of control
 - The evaluation of internal control components
 - Communication and documentation of internal controls
 - Reliance on experts and other auditors
 - Resource planning for the engagement
- Explain the stages necessary to plan, perform, conclude and report on the audit or assurance engagement for a specified client under the agreed engagement

e) Outline the nature of evidence required for a specified audit or assurance engagement

- Outline the nature of evidence required for a specified audit or assurance engagement, paying attention to:
 - Nature and scope of audit and assurance evidence
 - The use of assertions by auditors [transaction and related disclosures, account balances with related disclosures]
 - Audit procedures [Inspection, Observation, Inquiry, Confirmation, Recalculation, Re-performance, Analytical Procedures]
 - The audit of specific items [Substantive testing for transaction cycle; verification procedures for assets, liabilities and equity items]
 - Sampling and other means of testing
 - ICT and related techniques to analyse the effectiveness of processes and controls in an organisation.
 - Using the work of others/experts

f) Outline the nature of the audit review required for a specified engagement

- Outline the nature of the audit review required for a specified engagement, paying attention to (where relevant):
 - Subsequent events
 - Going concern evaluation
 - Written representations
 - Analytical procedures at the conclusion stage

g) Outline the procedures to conclude and draft a report on specified audit or assurance engagements

- Outline the procedures to conclude and draft a report on specified audit or assurance engagements paying attention to (where relevant):
 - Communication with those charged with governance
 - Communicating deficiencies in internal control to those charged with governance and management
 - Forming an opinion and reporting on financial statements
 - Modifications to the opinion in the independent auditor's report
 - Drafting extracts of a report for an audit or assurance engagement

ADVANCED LEVEL

FRE – Financial Reporting and Evaluation

The aim of this module is to ensure that candidates apply the appropriate judgement and technical competence in the preparation and interpretation of financial statements for complex business entities, including business combinations. Students must also be able to evaluate and communicate the impact of current issues and developments in corporate reporting to those who may not have that technical expertise

On completion of this module, candidates will reach a competency sufficient to be able to:

- a) Evaluate appropriate accounting policies
- b) Prepare financial statements, notes and extracts for both single entities and for groups that comply with generally accepted accounting practice
- c) Evaluate entity position, performance and prospects using a range of financial and other data
- d) Assess ethical issues and appropriate ethical responses

The following grid shows the relative weightings of topics within this subject and should guide the required study time spent on each. The marks available in the assessment will approximately equate to the weightings below.

SYLLABUS COVERAGE		WEIGHT (%)
A	Evaluate appropriate accounting policies	30
B	Prepare financial statements, notes and extracts for both single entities and for groups that comply with generally accepted accounting practice	40
C	Evaluate entity position, performance and prospects using a range of financial and other data	20
D	Assess ethical issues and appropriate ethical responses	10
TOTAL		100

In the assessment, candidates may be required to:

a) Evaluate appropriate accounting policies

- Advise upon suitable accounting policies based on a business scenario under local and international requirements for private sector entities including single and consolidated financial statements
- Evaluate how alternative choices of revenue recognition, asset and liability recognition and measurement can affect the understanding of the performance, position and prospects of an entity whether in private or when presenting consolidated or single entity financial statements
- Explain to a chosen user the application of IFRS and local requirements for a private entity
- Assess the choice of accounting treatments that may be adopted based on a given scenario explaining how they may affect a user's understanding of a business
- Explain current issues arising in the development of generally accepted accounting practice at a local and international level

b) Prepare financial statements, notes and extracts for both single entities and for groups that comply with generally accepted accounting practice

- Prepare financial statements of a single entity undertaking a variety of transactions on the basis of chosen accounting policies and in accordance with IFRS and local regulations
- Identify from a given scenario a subsidiary, associate or joint venture according to international standards and local regulation
- Prepare consolidated financial statements arising from existing, new or discontinuing activities or interests in subsidiaries, associates or joint ventures in accordance with IFRS and local regulations
- Prepare extracts from the financial statements of an entity preparing consolidated financial statements undertaking a variety of transactions on the basis of chosen accounting policies and in accordance with IFRS and local regulations
- Explain with examples the additional information that may be included in annual reports beyond financial statements in accordance with international best practice and local requirements including management reports, risk information, governance reports, financial summaries, key performance indicators and highlights

c) Evaluate entity position, performance and prospects using a range of financial and other data

- Calculate suitable performance, position and prospect measures using key indicators, financial statement ratios, comparisons, trend analyses and other representations of relationships that support a meaningful financial and business analysis of a private or entity
- Comment upon limitations of analysis
- Draw conclusions and report on the analysis undertaken from a business perspective

d) Assess ethical issues and appropriate ethical responses

- Evaluate the ethical considerations when undertaking work, giving advice on financial accounting and reporting issues that may give rise to ethical problems in business and reporting scenarios

BSG – Business Strategy, Governance and Risk Management

The aim of this module is to enable students to understand and apply tools and models to develop competencies in strategic analysis, choice and implementation. Students will become competent in the use of management information to measure and monitor strategic performance. A comprehensive review will be undertaken of good governance practice, all developed within applicable ethical frameworks. Evaluating complex scenarios will be a feature of the module, based on complex data, financial and stakeholder analysis including making recommendations.

On completion of this module, candidates will reach a competency sufficient to be able to:

- a) Evaluate strategic objectives for a specified scenario
- b) Prepare and advise on a strategic analysis, for a specified scenario, by evaluating the external and internal environments to support strategy development
- c) Apply key strategic models and prepare advice on, for a specified scenario, strategic choice
- d) Discuss and evaluate the types of organisational structure and operational vehicles that can be used to support, for a specified scenario, the delivery of organisational strategy
- e) Explain, analyse and prepare risk management strategies for a specified scenario and integrate into a wider business plan
- f) Explain and analyse the arrangements required, and prepare business plans, for a specified scenario, for an efficient and effective implementation of an organisational strategy
- g) Evaluate the issues involved in the formulation of an organisation's financial strategy objectives for a specified scenario

- h) Evaluate the issues involved in the formulation of an organisation's financial strategies for a specified scenario
- i) Describe and explain the meaning of corporate governance frameworks and mechanisms
- j) Describe and explain the corporate governance landscape
- k) Describe and explain the OECD Principles of Corporate Governance
- l) Describe, explain and apply the processes of improving governance in organisations, for a specified scenario

The following grid shows the relative weightings of topics within this subject and should guide the required study time spent on each. The marks available in the assessment will approximately equate to the weightings below.

SYLLABUS COVERAGE		WEIGHT (%)
A	Strategic objectives	10
B	Internal and external environments	10
C	Strategic models	10
D	Organisational structure	10
E	Risk management	10
F	Business plans	10
G	Financial strategy objectives	10
H	Financial strategies	10
I	Corporate governance frameworks	5
J	Corporate governance	5
K	OECD Principles of Corporate Governance	5
L	Improving governance in organisations	5
TOTAL		100

In the assessment, candidates may be required to:

a) Evaluate strategic objectives for a specified scenario

- Define the purpose of organisational strategy and explain the difference between the various levels:
 - definition of organisational strategy
 - corporate strategy
 - business/service strategy
 - operational strategy
- Analyse the key factors and drivers that influence strategic objectives:
 - maximisation of stakeholder value
 - nature of value in various scenarios – business value, stakeholder value, public value
 - sustainable competitive advantage and/or sustainable community benefit
 - vision and mission
 - core values
 - culture (e.g. Handy's culture types, cultural web)
 - laws and regulations
 - ethics and corporate social responsibility, including consideration of:
 - ✓ The Meaning of Ethics
 - ✓ The 'Seven Principles of Public Life': selflessness, integrity, objectivity, accountability, openness, honesty and leadership.
 - ✓ Business Ethics across Organisational Functions
 - ✓ Why Ethical problems occur in Business
 - ✓ Ethics in a Global Economy
 - ✓ Ethics, Law and Illegal Corporate Behaviour
 - ✓ The Core Element of Ethical Reform
 - ✓ Analysing Ethical problems in Business
 - ✓ Model of Ethical Judgment
 - ✓ Ethics and Accounting: A Decision-Making Model
- Evaluate various approaches to organisational strategy:
 - environmentally driven strategy, including consideration of:
 - ✓ The meaning of Corporate Social Responsibility
 - ✓ Evolution of Corporate Social Responsibility
 - ✓ Basic elements of Corporate Social Responsibility
 - ✓ The limits of Corporate Social Responsibility
 - ✓ Economic, Legal, and Social Responsibilities
 - ✓ Areas of Social Responsibility
 - ✓ Corporate Social Responsibility in a Global Context
 - ✓ Implementing Corporate Social Responsibility Programmes
 - ✓ Key Elements of Managing Corporate Social Responsibility
 - systems based approach
 - resource based approach
 - core competency-based approach
 - rational strategy
 - adaptive, emergent strategy
 - incremental strategy
 - freewheeling opportunism
 - creative strategy (innovation)
 - learning organisations

b) Prepare and advise on a strategic analysis, for a specified scenario, by evaluating the external and internal environments to support strategy development

- Prepare and evaluate, for a specified scenario, an external analysis, paying attention to:
 - PESTLE analysis
 - scenario plans
 - Porter's diamond
 - stakeholder mapping
 - Porter's five forces
- Prepare and evaluate, for a specified scenario, an internal analysis, paying attention to:
 - strategic capability
 - resource audit – financial, physical, human and intangible
 - core competences
- Determine the key issues arising from an environmental analysis:
 - logical approaches (SWOT analysis)
 - creative approaches (such as brainstorming)
 - gap analysis
- Prepare and present advice on the strategic capability of the organisation

c) Apply key strategic models and prepare advice on, for a specified scenario, strategic choice

- Apply and appraise key models available for the generation of strategic options:
 - Porter's generic strategies, strategy clock
- Apply and appraise the key strategic product and service development models:
 - product/service life cycle analysis, Boston matrix
 - directional policy matrices (McKinsey Electric Business Screen and Shell Directional Policy Matrix)
 - public service matrix (Montanari and Bracker)
 - corporate parenting styles, Ashridge portfolio display
 - Ansoff's growth vector
 - value chain analysis
 - Porter's value system
 - value drivers
- Evaluate the impact of stakeholder expectations in the development of strategy:
 - impact of the marketing mix (Products - 4Ps; Services - 7Ps)
 - market segmentation, targeting and positioning
 - stakeholder focus and consultation
- Evaluate and advise on strategic options: suitability/acceptability/feasibility

d) Discuss and evaluate the types of organisational structure and operational vehicles that can be used to support, for a specified scenario, the delivery of organisational strategy

- Discuss factors that influence organisational design:
 - flat versus tall designs
 - responsibility, authority and accountability
 - line, staff and functional relationships
 - organic versus mechanistic approaches
 - differentiation and integration
 - role flexibility versus job specification
 - bureaucracy and post bureaucracy
 - empowerment versus control
 - centralisation versus decentralisation
 - benefits of resource sharing and collaborative working
- Evaluate the advantages and disadvantages of types of organisational structure:
 - simple structures
 - functional structures
 - divisional structures
 - matrix structures
 - corporate group structures
 - hybrid/intermediate structures
- Discuss vehicles for collaborating with outside organisations to achieve objectives:
 - strategic alliances, shared services, shared management teams, pooled budgets, outsourcing
 - shared services
 - shared management teams
 - pooled budgets
 - outsourcing
 - joint ventures
 - franchising
 - licensing
 - arm's length bodies
 - mergers and acquisitions
 - consortia
 - networks
- Identify, explain and mitigate against personal and/or organisational bias in the delivery of organisational strategy

e) Explain, analyse and prepare risk management strategies for a specified scenario and integrate into a wider business plan

- Explain how ICT supports the identification, reporting, and management of risk in an organisation. In particular, to pay attention to:
 - methods of secure data transmission to support compliance with regulatory requirements and ethical principles.
 - when data handling or sharing with third parties has breached regulatory requirements or an organisation's internal policies or procedures.
 - Using ICT, including data analysis and visualisation tools, to facilitate reporting to those charged with governance to communicate data and information to internal and external stakeholders
- Prepare risk management plans to implement a chosen strategy, paying attention to:
 - identification of risks
 - assessing risk impact
 - management and mitigation of risks

f) Explain and analyse the arrangements required and prepare business plans, for a specified scenario, for an efficient and effective implementation of an organisational strategy

- Analyse and apply approaches to strategy implementation:
 - McKinsey 7-S framework
 - importance of reinforcing success
- Evaluate the use of business plans in strategy implementation:
 - alignment of service delivery with public communication plans
 - integration of operational and work plans
 - alignment of human resource plans and personal objectives
 - integration of budget assumptions
 - management of internal and external messages
- Evaluate monitoring procedures used in strategy implementation:
 - establishing a planned programme
 - types of monitoring procedures
 - key performance indicators
- Prepare business plans to implement a chosen strategy, paying attention to:
 - developing a Strategic Management Accounting approach involving the identification of key performance metrics, both quantitative and qualitative
 - developing a marketing and brand management approach, involving both quantitative and qualitative techniques
 - developing an information, data, and information technology approach, involving the provision of information to support new organisational and strategic requirements, including consideration of:
 - Impact of Information systems on organisations
 - Relationship between Information systems / Information technology strategy and corporate strategy
 - Role of information systems/ information technology in creating competitive advantage
 - Impact of information technology on organisations
 - The impact of contemporary developments in information technology on organisational strategy
 - The impact of e-commerce on organisations and business
 - Cyber security and big data management
 - developing a human resourcing approach, including recruitment and remuneration considerations
 - preparing a schedule to meet the objectives and tasks contained in the business plan

g) Evaluate the issues involved in the formulation of an organisation's financial strategy objectives for a specified scenario

- Determine and explain financial strategy objectives, taking account of the constraints on various elements of financial strategy
- Explain stakeholder interests and their effect on financial strategy formulation and propose resolutions to stakeholder conflicts
- Identify ethical problems in financial strategy and propose appropriate resolutions
- Evaluate financial strategies in terms of the financial and strategic objectives of the organisation, including consideration of the application of:
 - investment appraisal techniques
 - working capital and liquidity management
 - international financial management including specific considerations for multi-nationals, transfer pricing, risk management
 - treasury management including the management of risks relating to currency and interest rates

h) Evaluate the issues involved in the formulation of an organisation's financial strategies for a specified scenario

- Evaluate the available financing options, including
 - Short, medium and long-term alternatives
 - Issues of new capital
 - Gearing and capital structure
 - Dividend policy
 - Working capital management
 - SME and micro finance
- Forecast financing requirements for both short and long-term financing requirements
- Evaluate alternative methods of financing, incorporating the impact of the tax, and select an appropriate financial plan
- Prepare a financial plan and evaluate the impact of uncertainty on the plan

i) Describe and explain the meaning of corporate governance frameworks and mechanisms

- Describe and explain the meaning of corporate governance frameworks and mechanisms, including consideration of:
 - Meaning and importance of corporate governance
 - Theoretical aspects of corporate governance
 - Agency theory
 - Transaction cost theory
 - Stakeholder's theory

j) Describe and explain the corporate governance landscape

- Structure of ownership and control, including consideration of:
 - Corporate governance for listed companies
 - Directors and board structure
 - The role of Non-Executive Directors
 - Directors in corporate governance
 - Executive remuneration
 - The role of institutional investors in corporate governance
 - Disclosure and corporate governance
 - Internal control and corporate governance
 - The role of audit in corporate governance

k) Describe and explain the OECD Principles of Corporate Governance

l) Describe, explain and apply the processes of improving governance in organisations, for a specified scenario, detailed in IFAC's Evaluating and Improving Governance in Organisations (Good Practice Guidance)

- Describe the role of the accountant in the process
- Describe and explain the governance framework and key principles
- Apply, evaluate and recommend actions, for a specified scenario, the principles contained in the Good Practice Guidance, including specific consideration of the IESBA Code of Ethics for Professional Accountants

AAP – Advanced Audit and Practice

This module deals with important issues of practice and engagement management which will enable students to provide advice on a wide range of audit and assurance assignments. Engagement planning, execution, and reporting remain the focus of the module and a deep engagement with

ethical issues and appropriate behaviour will inform much of the development of student abilities as they apply their skills to a variety of complex audit and assurance problems.

On completion of this module, candidates will reach a competency sufficient for complex environments and applying relevant auditing standards, to be able to:

- a) Explain the purpose of audit and assurance and evaluate the impact of emerging issues
- b) Plan for an audit or assurance engagement
- c) Evaluate and prepare an appropriate audit or assurance response to an entity's internal control systems
- d) Obtain, analyse and evaluate audit or assurance evidence
- e) Conclude and report on an audit or assurance engagement

The following grid shows the relative weightings of topics within this subject and should guide the required study time spent on each. The marks available in the assessment will approximately equate to the weightings below.

SYLLABUS COVERAGE		WEIGHT (%)
A	Audit and assurance purpose	5
B	Planning	25
C	Internal Control	20
D	Evidence	30
E	Reporting	20
TOTAL		100

In the assessment, candidates may be required to:

<p>a) Explain the purpose of audit and assurance and evaluate the impact of emerging issues</p> <ul style="list-style-type: none"> • Explain the purpose of auditing and distinguish the purpose of assurance • Identify, explain and evaluate the impact of emerging issues, particularly with respect to the role of technology in relation to audit
<p>b) Plan for an audit or assurance engagement</p> <ul style="list-style-type: none"> • Analyse and evaluate the risk environment for an entity, paying particular attention to the impact on audit and assurance approaches • Identify the risks relating to an engagement, including those relating to new technologies, and develop plans for audit and assurance approaches that appropriate account of these risks, paying particular attention to: <ul style="list-style-type: none"> – Risk and its impact on materiality – The identification of appropriate planning stage audit approaches – The application of professional scepticism in the evaluation of the risk of material misstatement • Develop and justify an audit plan or assurance engagement plan, and identify the conditions for reliance on experts

c) Evaluate and prepare an appropriate audit or assurance response to an entity's internal control systems

- Evaluate an entity's internal control environment and develop an appropriate audit approach, paying particular attention to:
 - Critical business processes and their relationship to and impact on the control environment
 - Accounting information systems and the processes underlying data collection, processing, analysis and recording
 - Data security and the integrity of the accounting information system
 - Describing, analysing and evaluating the control system and its impact on the audit approach
 - Assess the completeness and accuracy of data and information derived from digital sources
 - Develop an approach for tests of controls and integrate into the overall audit plan

d) Obtain, analyse and evaluate audit or assurance evidence

- Develop an audit approach to gather appropriate audit or assurance evidence, paying particular attention to:
 - Identify the relevant documentation required and the reports to be written
 - Evidence sufficiency, including for complex scenarios
 - The application of professional scepticism
 - The approach to gathering evidence
 - The application of professional judgement following an evaluation of evidence to ensure that an audit opinion can be reached or any other client engagement requirement is satisfied
 - Identify audit or assurance issues that require further investigation and develop a plan to gather evidence and to resource the task to execute the plan
 - Conclude when sufficient evidence has been gathered

e) Conclude and report on an audit or assurance engagement

- Conclude and report on an engagement, paying particular attention to:
 - Going concern and events after the reporting period
 - Specific client requirements for an assurance engagement
 - Review of evidence sufficient to conclude, applying further audit or assurance techniques, as required
 - Conclude and formulate an opinion that reflects audit requirements or responds to assurance requirements
 - Prepare an appropriate report