

CA
BANGLADESH



THE INSTITUTE OF
**CHARTERED
ACCOUNTANTS**
OF BANGLADESH

ICAB SYLLABUS AND TECHNICAL KNOWLEDGE GRIDS

FOR EXAMS FROM DECEMBER 2018

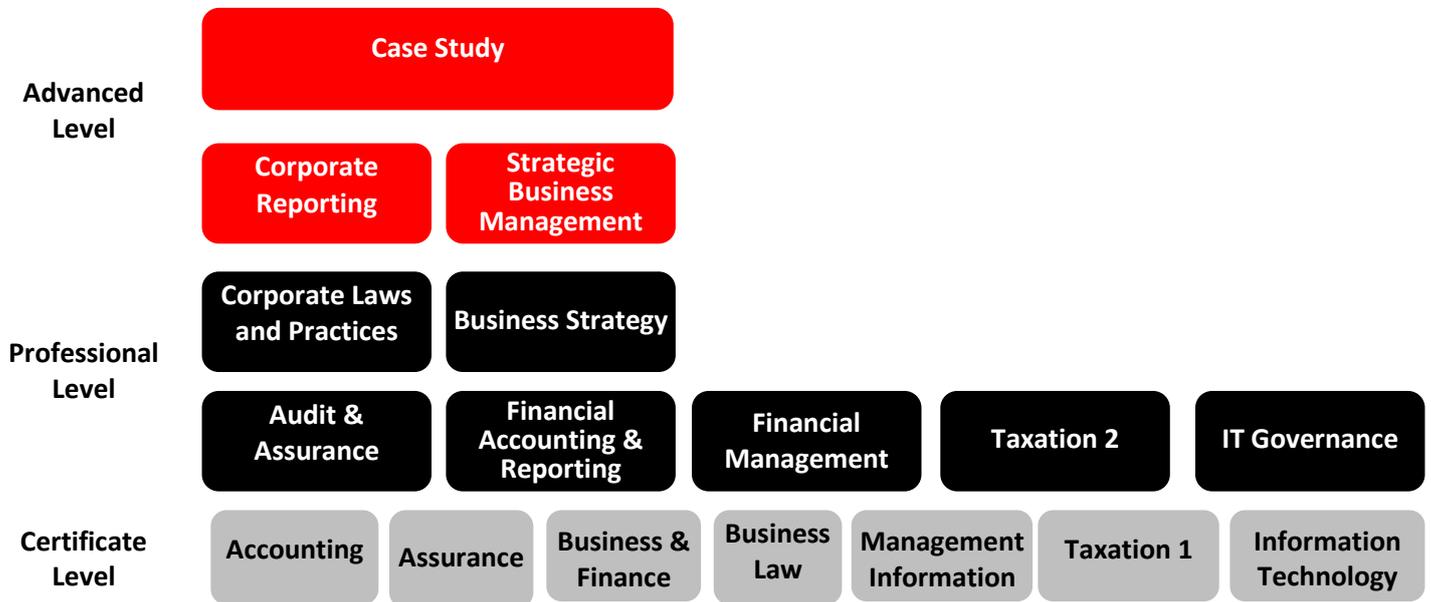
CONTENTS

CA Overview	04
1 The CA qualification	05
2 Certificate and Professional Level	06
3 Advanced Level	06
CERTIFICATE LEVEL MODULES	
Assurance (100 Marks)	09
1 The concept, process and need for assurance.....	10
2 Internal controls	10
3 Gathering evidence on an assurance engagement	11
4 Professional ethics.....	11
Accounting (100 Marks)	13
1 Maintaining financial records	14
2 Adjustments to accounting records and financial statements	14
3 Preparing financial statements	14
Business and Finance (100 Marks)	15
1 Business objectives and functions	16
2 Business and organisational structures	16
3 The role of finance	17
4 The role of the accountancy profession.....	18
5 Governance, sustainability, corporate responsibility and ethics	18
6 External environment	19
Management Information (100 Marks)	20
1 Costing and pricing.....	21
2 Budgeting and forecasting	21
3 Performance management.....	22
4 Management decision making.....	22
Taxation 1 (100 Marks)	23
1 General principles of taxation.....	24
2 Ethical considerations.....	24
3 Administration	24
4 The taxation of business entities	25
5 The taxation of individuals.....	25
6 Value Added Tax (VAT)	25
Business Law (50 Marks)	26
1 Overview of Companies Act 1994	27
2 The Negotiable Instruments Act, 1881	27
3 The Partnership Act, 1932.....	28
4 The Bangladesh Labour Act, 2006 and Bangladesh Labour Rules, 2015	28
Information Technology (50 Marks)	29
1 Information Systems in Business	31
2 Information Technologies	31
3 e- Business Systems	32
4 Electronic Commerce Systems	32
5 Enterprise Business Systems	33
PROFESSIONAL LEVEL MODULES	
Audit and Assurance (100 Marks)	34
1 Legal and other professional regulations, ethical and current issues.....	35
2 Accepting and managing engagements	36
3 Planning engagements	36
4 Concluding and reporting on engagements	37
Financial Accounting and Reporting (100 Marks)	39
1 Accounting and reporting concepts and ethics	40
2 Single entity financial statements	41
3 Consolidated financial statements.....	41

Business Strategy (100 Marks)	42
1 Strategic analysis	43
2 Strategic choice.....	44
3 Implementation and monitoring of strategy	44
Financial Management (100 Marks)	46
1 Financing options	46
2 Managing financial risk	47
3 Investment decisions and valuation.....	48
Taxation 2 (100 Marks)	49
1 Ethical considerations.....	49
2 Investigations and disputes.....	50
3 The taxation of business entities	50
4 The taxation of individuals.....	50
5 Value Added Tax (VAT)	51
Corporate Laws and Practices (100 Marks)	52
1 The Companies Act 1994 and Secretarial Practices	53
2 Laws relating to the Securities and Exchange Commission	54
3 Financial Reporting Act 2015	54
4 The Bank Company Act 1991	54
5 The Financial Institutions Act 1993	55
6 The Insurance Act 2010	55
7 Foreign Exchange Regulations, 1947.....	56
IT Governance (100 Marks)	57
1 Information Technology Policies and Laws	60
2 Decision Support Systems	61
3 IT Governance, Organisation and Strategy	61
4 Information Systems Security.....	62
5 Developing Business/IT Solutions	62
6 Information Systems Auditing.....	63
ADVANCED LEVEL MODULES	
Corporate Reporting (100 Marks)	64
Corporate Reporting – Compliance	65
Corporate Reporting –Financial Statement Analysis	67
Audit and Assurance	67
Ethics.....	70
Strategic Business Management (100 Marks)	72
Business Strategy and Management	73
Financial Strategy	77
Financial Structure and Financial Reconstruction	78
Financial Instruments and Financial Markets	78
Ethics.....	81
Case Study (100 Marks)	82
TECHNICAL KNOWLEDGE GRIDS.....	85
ASSURANCE AND AUDIT TECHNICAL GRID	86
BUSINESS ANALYSIS TECHNICAL GRID	88
ETHICS CODES AND STANDARDS TECHNICAL GRID.....	94
FINANCIAL REPORTING TECHNICAL GRID	95
TAXATION TECHNICAL GRID.....	97
BUSINESS LAW TECHNICAL GRID	97
INFORMATION TECHNOLOGY TECHNICAL GRID.....	98
APPENDIX 1: ICAB SKILLS PROGRESSION	99

CA Certificate, Professional and Advanced Level Syllabus

CA Overview



1. The CA qualification

ACA overview

The ICAB chartered accountancy qualification, the ACA, is one of the most advanced learning and professional development program. Its integrated components provide an in-depth understanding across accountancy, finance and business. Combinedly, they help build the technical knowledge, professional skills and practical experience needed to become an ICAB Chartered Accountant.

Aim

The CA qualification aims to ensure all newly qualified Chartered Accountants have the technical and professional skills to begin their career and from which to build their ongoing professional development.

PROFESSIONAL DEVELOPMENT

Chartered Accountants are known for their professionalism and expertise. Professional development prepares students to successfully handle a variety of different situations that they encounter throughout their career. The ACA qualification improves students' ability and performance in seven key areas:

- adding value
- communication
- decision making
- ethics and professionalism
- problem solving
- teamwork
- technical competence

Structure

The syllabus has been designed to develop core technical, commercial and ethical skills and knowledge in a structured and rigorous manner. Progression through the CA modules, in combination with integrated and monitored work-based learning, will equip the students to be prepared for the demanding multi-disciplinary case study. This final module demands a high level of analysis, synthesis and communication skills, commercial and ethical awareness and the application of professional judgement.

The diagram above shows the fourteen modules at the Certificate and Professional level, where the focus is on the acquisition and application of technical skills and knowledge and the Advanced level which comprises two technical modules and the Case Study.

Ethics is embedded throughout the qualification and there are specific learning outcomes included in a number of the modules. The syllabus has been designed to ensure students understand the fundamental principles of ethics, can apply relevant ethical guidance and are able to recommend actions to resolve ethical issues.

ETHICS

Ethics is more than just knowing the rules around confidentiality, integrity, objectivity and independence. It's about identifying ethical dilemmas, understanding the implications and behaving appropriately. We integrate ethics throughout the ACA qualification to develop students ethical capabilities –so they will always know how to make the right decisions and justify them.

2. Certificate and Professional level

Aim

The Certificate and Professional level of the CA qualification forms the formal learning and assessment for the CA and, as such, aims to provide students with the technical skills and underpinning knowledge to perform their work as trainee chartered accountants in a variety of environments.

The Certificate and Professional level syllabus has been constructed with the following aims:

- To ensure that the required technical knowledge and skills can be learnt and assessed in a comprehensive and rigorous manner
- To allow the timing of exam study to be aligned as far as possible with the knowledge and skills needed in the workplace
- To enable appropriate educational progression and reinforcement during the study and assessment process.

Structure and progression

There are 14 modules in total. Seven 'Certificate Level' modules focus on the introduction and development of core knowledge and skills. The other seven 'Professional Level' modules further develop the knowledge and skills and assess practical technical application.

The Certificate and Professional levels as a whole form the foundation of technical knowledge that is further developed and integrated at the Advanced Level.

Syllabus

This document presents the learning outcomes for the 14 modules. The learning outcomes in each module should be read in conjunction with the relevant topics.

Assessment

The seven 'Certificate' modules will be examined using short-answer questions. Each assessment will be 2 hours in length except Taxation 1 (3 hours) and Business Law, Information Technology (1.5 hours) length each.

The seven 'Professional' modules will be examined through traditional assessments using longer questions. Each examination will be 3 hours in length.

Flexibility

There will be no regulations stipulating the order in which students must attempt the modules in each level of the Certificate and Professional Level, allowing employers to design training programmes according to business needs. No examination in the next level can be undertaken before the previous level has been completed.

3 Advanced Level

Aim

The Advanced Level of the CA qualification is designed to ensure that students are able to their technical, professional and ethical skills in an apply variety of business environments.

The Advanced Level has been constructed with the following aims:

- to ensure that students are able to identify and evaluate a broad range of business issues and communicate appropriate advice
- to provide a greater focus on the provision of technical advice, whilst ensuring that the business implications of the advice given are understood
- to ensure the application of professional and ethical skills as well as technical knowledge
- to improve financial and business analysis skills
- to modernise the CA qualification to reflect important emerging issues
- to ensure that business topics and the associated technical content covered in each of the modules are clear.

Structure and progression

There are three Advanced Level modules: the case study and two underpinning technical modules. The two technical modules are Corporate Reporting and Strategic Business Management.

The Certificate Level modules introduce the core technical knowledge and skills required by a chartered accountant. The professional level modules further develop and assess practical application of technical knowledge and skills.

The technical knowledge acquired at the Certificate and Professional Level is developed to a high level in the Advanced Level modules. The application of technical knowledge in these modules requires an appreciation of the typical issues and problems facing businesses and their relationship to corporate reporting, assurance and taxation. A greater depth of business and financial analysis will be required to understand the implications and risks arising from the business issues.

New technical topics are introduced in the Advanced Level modules, reflecting students' greater financial and business awareness and their emerging proficiency and ability to integrate knowledge and skills both within and across technical subjects. Students will be required to use more complex financial instruments in business finance and risk management for example.

Students will also be required to apply professional skills in the Advanced Level modules. These professional skills are then examined to a greater extent in the final CA module: the case study. This module requires higher level cognitive, analytical and evaluative skills.

Syllabus

This document presents the high-level learning outcomes for the two technical modules and sets out the skills requirements for the case study. The appendix contains details of the technical knowledge required for the Advanced Level.

Assessment

The two technical modules will be examined using traditional paper-based assessments. Each paper-based exam will be 3 hours in length.

The Case Study will consist of a 4-hour written examination where candidates will be expected to respond to the scenario in the case from all technical perspectives, including taxation.

Flexibility

There are no regulations stipulating the order in which students must attempt the technical modules. The case study must be the final module attempted.

Applicability of latest Standards and Provisions:

Students may be assessed on latest International Standards on Auditing (ISAs) and other auditing notifications, guidelines, etc. which will become effective in Bangladesh within a maximum period of 12 months from the end of the month of relevant examination. For example, examination in December 2018 may cover latest Standards which will become effective in Bangladesh by 31 December 2019.

Students may be assessed on the latest International Financial Reporting Standards, guidelines etc. (IASs, IFRSs, IFRICs, other financial reporting notifications) which will become effective in Bangladesh within a maximum period of 12 months from the end of the month of relevant examination.

Students may be assessed on the latest Bangladesh provisions of tax laws, rules, regulations, orders etc. which have become effective at least 3 months before commencement of the month of relevant examination. For example, examination in December may cover changes up to 31 August of the same year.

Students may be assessed on the latest provisions of IFAC Code of Ethics as adopted by ICAB and the latest provisions of ICAB Code of Ethics which have become effective at least 3 months before the month of commencement of the relevant examinations.

Students may be assessed on the latest provisions of statutes, rules, regulations, Codes of Corporate Governance including OECD Principles, policies and other relevant notifications, guidelines, secretarial standards, etc., which have become effective at least 3 months before commencement of the month of relevant examination.

The aforementioned assessments may be made in the case of those Modules which cover relevant areas in the detailed syllabus given hereafter.

Certificate Level (CL)

Assurance – 100 Marks

Module Aim

To ensure that candidates understand the assurance process and fundamental principles of ethics and are able to contribute to the assessment of internal controls and gathering of evidence on an assurance engagement.

On completion of this module, candidates will be able to:

Outline the purpose of assurance

- L01: explain the concept of assurance, why assurance is required and the reasons for assurance engagements being carried out by appropriately qualified professionals;

Describe internal controls

- L02: explain the nature of internal controls and why they are important;
- L03: document an organization's internal controls and identify weaknesses in internal control systems;

Gather assurance evidence

- L04: select sufficient and appropriate methods of obtaining assurance evidence and recognise when conclusions can be drawn from evidence obtained or where issues need to be referred to a senior colleague; and

Explain the role of professional ethics

- L05: describe the importance of ethical behaviour to a professional and identify issues relating to integrity, objectivity, professional competence and due care, confidentiality, professional behaviour and independence.

Method of assessment

The Assurance module is assessed by a 2.0 hours exam.

Specification grid

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

Syllabus area	Weighting (indicative %)
1 The concept, process and need for assurance	20
2 Internal controls	25
3 Gathering evidence on an assurance engagement	35
4 Professional ethics	20

The following learning outcomes should be read in conjunction with the relevant sections of the technical knowledge grids.

Outline the purpose of assurance: L01

1. The concept, process and need for assurance:

Candidates will be able to explain the concept of assurance, why assurance is required and the reasons for assurance engagements being carried out by appropriately qualified professionals.

In the assessment, candidates may be required to:

- a. define the concept of assurance;
- b. state why users desire assurance reports and provide examples of the benefits gained from them such as to assure the quality of an entity's published corporate responsibility or sustainability report;
- c. compare the functions and responsibilities of the different parties involved in an assurance engagement;
- d. compare the purposes and characteristics of, and levels of assurance obtained from, different assurance engagements;
- e. identify the issues which can lead to gaps between the outcomes delivered by the assurance engagement and the expectations of users of the assurance reports, and suggest how these can be overcome;
- f. define the assurance process, including:
 - obtaining the engagement
 - continuous risk assessment
 - engagement acceptance
 - the scope of the engagement
 - planning the engagement
 - performing the engagement
 - obtaining evidence
 - evaluation of results of assurance work
 - concluding and reporting on the engagement
 - reporting to the engaging party
 - keeping records of the work performed
- g. recognise the need to plan and perform assurance engagements with an attitude of professional scepticism;
- h. define the concept of reasonable assurance; and
- i. recognise the characteristics of fraud and distinguish between fraud and error.

Describe internal controls: L02, 3

2. Internal controls

Candidates will be able to explain the nature of internal controls and why they are important, document an organization's internal controls and identify weaknesses in internal control systems.

In the assessment, candidates may be required to:

- a. state the reasons for organizations having effective systems of control;
- b. identify the fundamental principles of effective control systems;
- c. identify the main areas of a business that need effective control systems;
- d. identify the components of internal control in both manual and IT environments, including:

- the overall control environment
 - preventative and detective controls
 - internal audit
- e. define and classify different types of internal control, with particular emphasis upon those which impact upon the quality of financial information;
 - f. show how specified internal controls mitigate risk and state their limitations;
 - g. identify internal controls for an organization in a given scenario;
 - h. identify internal control weaknesses in a given scenario; and
 - i. identify, for a specified organization, the sources of information which will enable a sufficient record to be made of accounting or other systems and internal controls.

Gather assurance evidence: L04

3. Gathering evidence on an assurance engagement

Candidates will be able to select sufficient and appropriate methods of obtaining assurance evidence and recognise when conclusions can be drawn from evidence obtained or where issues need to be referred to a senior colleague.

In the assessment, candidates may be required to:

- a. state the reasons for preparing and keeping documentation relating to an assurance engagement;
- b. identify and compare the different methods of obtaining evidence from the use of tests of control and substantive procedures, including analytical procedures;
- c. recognise the strengths and weaknesses of the different methods of obtaining evidence;
- d. identify the situations within which the different methods of obtaining evidence should and should not be used;
- e. compare the reliability of different types of assurance evidence;
- f. select appropriate methods of obtaining evidence from tests of control and from substantive procedures for a given business scenario;
- g. recognise when the quantity and quality of evidence gathered from various tests and procedures is of a sufficient and appropriate level to draw reasonable conclusions on which to base a report;
- h. identify the circumstances in which written confirmation of representations from management should be sought and the reliability of such confirmation as a form of assurance evidence; and
- i. recognise issues arising whilst gathering assurance evidence that should be referred to a senior colleague.

Explain the role of professional ethics: L05

4. Professional ethics

Candidates will be able to understand the importance of ethical behaviour to a professional and identify issues relating to integrity, objectivity, professional competence and due care, confidentiality, professional behaviour and independence.

In the assessment, candidates may be required to:

- a. state the role of ethical codes and their importance to the profession;
- b. recognise the differences between a rules based ethical code and one based upon a set of principles;
- c. recognise how the principles of professional behaviour protect the public and fellow professionals;
- d. identify the key features of the system of professional ethics adopted by IFAC and ICAB;
- e. identify the fundamental principles underlying the IFAC and the ICAB code of ethics;
- f. recognise the importance of integrity and objectivity to professional accountants, identifying situations that may impair or threaten integrity and objectivity;
- g. suggest courses of action to resolve ethical conflicts relating to integrity and objectivity;
- h. respond appropriately to the request of an employer to undertake work outside the confines of an individual's expertise or experience;
- i. recognise the importance of confidentiality and identify the sources of risks of accidental disclosure of information;
- j. identify steps to prevent the accidental disclosure of information;
- k. identify situations in which confidential information may be disclosed;
- l. define independence and recognise why those undertaking an assurance engagement are required to be independent of their clients;
- m. identify the following threats to the fundamental ethical principles and the independence of assurance providers:
 - self-interest threat
 - self-review threat
 - management threat
 - advocacy threat
 - familiarity threat
 - intimidation threat;
- n. identify safeguards to eliminate or reduce threats to the fundamental ethical principles and the independence of assurance providers; and
- o. suggest how a conflict of loyalty between the duty a professional accountant has to their employer and the duty to their profession could be resolved.

Accounting – 100 Marks

Module aim

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.

On completion of this module, candidates will be able to demonstrate the following learning objectives (LO):

Maintaining financial records

- L01: apply double entry accounting techniques for the maintenance of accounting records;

Adjust accounting records

- L02: identify and correct omissions and errors in accounting records and financial statements;

Prepare financial statements

- L03: specify the components of financial statements; and
- L04: prepare and present non-complex accounts for sole traders, partnerships and limited companies.

Method of assessment

The Accounting module is assessed by a 2.0 hours exam

Specification grid

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitable rigorous questions to be set.

Syllabus area	Weighting (indicative %)
1 Maintaining financial records	30
2 Adjustments to accounting records and financial statements	35
3 Preparing financial statements	35

The following learning outcomes should be read in conjunction with the relevant sections of the technical knowledge grids.

Maintain financial records: L01

1. Maintain financial records

Candidates will be proficient in the use of double entry accounting techniques and the maintenance of accounting records.

In the assessment, candidates may be required to:

- a. specify why an entity maintains financial records and prepares financial statements;
- b. specify the ethical considerations for preparers of financial statements;
- c. identify the sources of information for the preparation of accounting records and financial statements;
- d. record and account for transactions and events resulting in income, expenses, assets, liabilities and equity in accordance with the appropriate basis of accounting and the laws, regulations and accounting standards applicable to the financial statements;
- e. record and account for changes in the ownership structure and ownership interests in an entity; and
- f. prepare a trial balance from accounting records and identify the uses of the trial balance.

Adjust accounting records: L02

2. Adjustments to accounting records and financial statements

Candidates will be able to identify and correct omissions and errors in accounting records and financial statements.

In the assessment, candidates may be required to:

- a. identify omissions and errors in accounting records and financial statements and demonstrate how the required adjustments will affect profits and/or losses;
- b. correct omissions and errors in accounting records and financial statements using control account reconciliations and suspense accounts;
- c. prepare an extended trial balance; and
- d. prepare journals for nominal ledger entry and to correct errors in draft financial statements.

Preparing financial statements: L03, 4

3. Preparing financial statements

Candidates will be able to specify the components of financial statements, and prepare and present non-complex accounts for sole traders, partnerships and limited companies.

In the assessment, candidates may be required to:

- a. identify the main components of a set of financial statements and specify their purpose and interrelationship;
- b. specify the key aspects of the accrual basis of accounting, cash accounting and break-up basis of accounting; and
- c. prepare and present a statement of financial position, income statement and statement of cash flows (or extracts therefrom) from the accounting records and trial balance in a format which satisfies the information requirements of the entity.

Business and Finance – 100 Marks

Module aim

To provide students with an understanding of how businesses operate and how accounting and finance functions help businesses in achieving their objectives.

On completion of this module, students will be able to:

Explain business objectives and functions

- L01: identify the general objectives of businesses and the functions and tasks that businesses perform in order to meet their objectives;

Describe organizational structures

- L02: specify the nature, characteristics, advantages and disadvantages of different forms of business and organizational structure;

Explain the role of finance

- L03: identify the purpose of financial information produced by businesses and specify how accounting and finance functions support business operations;
- L04: identify sources and methods of financing for businesses and individuals;

Describe the role of the accounting profession

- L05: specify the role of the accountancy profession and why the work of the profession is important;

Describe and identify the role of governance

- L06: identify the role that governance plays in the management of a business and specify how a business can promote corporate governance, sustainability, corporate responsibility and an ethical culture; and

Explain the business economic environment

- L07: specify the impact on a business of the economic environment in which it operates.

Method of assessment

The Business and Finance module is assessed by a 2.0 hours exam.

Specification grid

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

Syllabus area	Weighting (indicative %)
1 Business objectives and functions	15
2 Business and organizational structures	15
3 The role of finance	25
4 The role of the accountancy profession	15
5 Governance, sustainability, corporate responsibility and ethics	15
6 External environments	15

The following learning outcomes should be read in conjunction with the relevant sections of the technical knowledge grids.

Explain business objective and functions: L01

1. Business objectives and functions

Candidates will be able to identify the general objectives of businesses and the functions and tasks that businesses perform in order to meet their objectives.

In the assessment, candidates may be required to:

- a. state the general objectives of businesses;
- b. state the general objectives of strategic management and specify the strategic management process and interrelationship between a business's vision, mission and strategic objectives;
- c. identify the various functional areas within businesses and show how the functions assist the achievement of business objectives;
- d. identify the nature and functions of organizational management, human resources management and operations management and show how these are influenced by human behaviour;
- e. identify the relationship between a business's overall strategy and its functional strategies;
- f. identify the nature and purpose of strategic plans, business plans and operational plans;
- g. specify how a strategic plan is converted into fully-integrated business and operational plans;
- h. identify the main components of the risk management process and show how they operate; and
- i. identify the key issues in relation to risk and crisis management.

Describe organizational structures: L02

2. Business and organizational structures

Candidates will be able to specify the nature, characteristics, advantages and disadvantages of different forms of business and organizational structure.

In the assessment, candidates may be required to:

- a. identify the differences between businesses carried out by sole traders, partnerships, limited liability partnerships, alliances and groups, and show the advantages and disadvantages of each of these structures;
- b. identify the differences between unincorporated businesses and companies, and show the advantages and disadvantages of incorporation; and
- c. identify different organizational structures and specify their advantages and disadvantages.

Explain the role of finance: LO3, 4

3. The role of finance

Candidates will be able to identify the purpose of financial information produced by businesses, specify how accounting and finance functions support business operations, and identify sources and methods of finance for business and individuals.

In the assessment, candidates may be required to:

- a. specify the extent to which financial information:
 - provides for accountability of management to shareholders and other stakeholders;
 - reflects business performance;
 - is useful to users in making economic decisions;
 - meets the information needs of national, social and economic contexts (e.g. national statistical information);
- b. specify how accounting and finance functions support businesses in pursuit of their objectives;
- c. identify the main considerations in establishing and maintaining accounting and financial reporting functions and financial control processes;
- d. identify, in the context of accounting and other systems, the issues surrounding:
 - information processing;
 - information security;
 - information management;
- e. specify why the management of a business require information about performance measurement including non-routine areas such as in supporting an entity's sustainability management;
- f. identify the accountant's role in preparing and presenting information for the management of a business;
- g. specify the relationship between a business and its bankers and other providers of financial products;
- h. identify the characteristics, terms and conditions and role of alternative short, medium and long-term sources of finance available to different businesses;
- i. identify the processes by which businesses raise equity, capital and other long –term finance;
- j. identify appropriate methods of financing exports, including:
 - bills of exchange
 - letters of credit
 - export credit insurance;
- k. specify the general objectives of personal financial management; and
- l. identify the principles of personal financial management and the personal financial management process.

Describe the role of the accounting profession: L05

4. The role of the accountancy profession

Candidates will be able to specify the role of the accountancy profession and why the work of the profession is important.

In the assessment, candidates may be required to:

- a. identify the importance to the public interest of high quality, accurate financial reporting and assurance;
- b. specify the rationale for key parts of the profession's work and the links between the public interest, technical competence and professional responsibility, including professional ethics, accounting principles, accounting standards and sound business management; and
- c. specify the key features of the structure of the accountancy profession, the regulatory framework within which professional accountants work and the ways in which the accountancy profession interacts with other professions.

Describe and identify the role of governance: L06

5. Governance, sustainability, corporate responsibility and ethics

Candidates will be able to identify the role that governance plays in the management of a business and specify how a business can promote corporate governance, sustainability, corporate responsibility and an ethical culture.

In the assessment, candidates may be required to:

- a. state the reasons why governance is needed and identify the role that governance plays in the management of a business;
- b. identify the key stakeholders and their governance needs for a particular business;
- c. identify and show the distinction between the roles and responsibilities of those charged with corporate governance and those charged with management, including the basics of the Bangladesh corporate governance code;
- d. specify how differences in legal systems and in national and business cultures affect corporate governance;
- e. identify the roles and responsibilities of the members of the executive board, any supervisory board, the audit committee and others charged with corporate governance, internal audit and external audit;
- f. identify the roles and responsibilities of those responsible within a business for internal audit and for the external audit relationship;
- g. specify the nature of ethics, business ethics, professional ethics, sustainability and corporate responsibility; and
- h. specify the policies and procedures a business should implement in order to promote an ethical culture.

Explain the business economic environment: L07

6. External environments

Candidates will be able to specify the impact on a business of the environment in which it operates including the potential effects of sustainability issues.

In the assessment, candidates may be required to:

- a. specify the signalling, rewarding and allocating effects of the price mechanism on business
(including the concept of price elasticity);
- b. specify the potential types of failure of the market mechanism and their effects on business;
- c. identify the key macroeconomic factors that affect businesses;
- d. specify the principal effects of regulation upon businesses;
- e. show how the needs of different stakeholders in a business (e.g., shareholders, the local community, employees, suppliers, customers) impact upon it; and
- f. specify the effects of international legislation on businesses.

Management Information – 100 Marks

Module aim

To enable candidates to prepare essential financial information for the management of a business.

On completion of this module, candidates will be able to:

Costing and pricing

- L01: identify the costs associated with the production of products and provision of services and use them to determine prices;

Budgeting and forecasting

- L02: select appropriate budgeting approaches and methods and prepare budgets;

Performance management

- L03: identify key features of effective performance management systems;
- L04: select appropriate performance measures;
- L05: calculate differences between actual performance and standards or budgets;

Management decision making

- L06: identify and calculate relevant data for use in management decision making; and
- L07: identify and explain ethical aspects to decision making.

Method of assessment

The Management Information module is assessed by a 2.0 hours exam.

Specification grid

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

Syllabus area	Weighting (indicative %)
1 Costing and pricing	25
2 Budgeting and forecasting	25
3 Performance management	25
4 Management decision making	25

The following learning outcomes should be read in conjunction with the relevant sections of the technical knowledge grids.

Costing and pricing: L01

1. Costing and pricing

Candidates will be able to establish the costs associated with the production of products and provision of services and use them to determine prices.

In the assessment, candidates may be required to:

- a. recognise the use of cost information for different purposes;
- b. classify costs as fixed, variable, direct or indirect;
- c. calculate unit costs and profits/losses from information provided, using:
 - marginal costing;
 - absorption costing and reconcile the differences between the costs and profits/ losses obtained;
- d. select the most appropriate method of costing for a given product or service;
- e. calculate the sales price for a given product or service using cost based pricing; and
- f. calculate transfer prices for specified sales to internal customers which take account of appropriate costs.

Budgeting and forecasting: L02

2. Budgeting and forecasting

Candidates will be able to select appropriate budgeting approaches and methods and prepare budgets.

In the assessment, candidates may be required to:

- a. apply forecasting techniques to assist management in performance measurement and planning;
- b. prepare budgets, or extracts therefrom, from information in supplied;
- c. select the most appropriate of the following budgeting approaches and methods, taking into account 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;
- d. prepare and/or comment upon a cash budget for a business which highlights the quantity and timing of cash surpluses and deficits;
- e. calculate the cash cycle for a business and recognise its significance;
- f. 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; and
- g. recognise how a business manages surpluses and deficits predicted in cash budgets.

Performance management: L03-5

3. Performance management

Candidates will be able to identify key features of effective performance management systems, select appropriate performance measures and calculate differences between actual performance and standards or budgets.

In the assessment, candidates may be required to:

- a. identify the reasons for and key features of effective performance management systems;
- b. select appropriate financial and non-financial performance measures which effectively encourage the business as a whole to meet its objectives;
- c. identify the role of controls in ensuring effective performance management;
- d. identify how performance measures and compliance measures are integrated into the general systems of control in businesses; and
- e. calculate differences between actual performance and standards or budgets in terms of price and volume effects and identify possible reasons for those differences.

Management decision making: L06, 7

4. Management decision making

Candidates will be able to identify and calculate relevant data for use in management decision making.

In the assessment, candidates may be required to:

- a. calculate the break-even point, contribution and margin of safety for a given product or service;
- b. allocate scarce resource to those products or services with the highest contribution per limiting factor;
- c. calculate the net present value, internal rate of return, payback period or accounting rate of return for a given project;
- d. identify the advantages and disadvantages of the investment appraisal techniques; and
- e. identify and explain ethical issues relating to the preparation, presentation and interpretation of financial information for the management of a business.

Taxation 1 - 100 Marks

Module aims

To ensure that students gain an appreciation of the basics of taxation in Bangladesh and have an understanding of the basic ethical requirements of undertaking tax work.

On completion of this module, students will be able to:

- explain the general objectives of taxation and the influences upon the system of taxation in Bangladesh
- explain the ethical and professional issues for a professional accountant undertaking tax work
- describe the basic system of administration relating to taxation in Bangladesh
- describe how taxation in Bangladesh is applied to the income, expenditure, assets, liabilities or transactions of business entities
- describe how taxation in Bangladesh is applied to the income, expenditure, assets, liabilities or transactions of individuals

Method of Assessment

Taxation 1 module is assessed by a 3-hour written exam. The questions cover the areas of the syllabus in accordance with the weightings set out in the specification grid.

Specification Grid

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

	Weighting (%)
1 General principles of taxation	20
2 Ethical considerations	10
3 Administration	15
4 The taxation of business entities	20
5 The taxation of individuals	15
6 Value Added Tax	20
	<u>100</u>

1. General principles of taxation

Candidates should be able to explain the general objectives of taxation and the influences upon the system of taxation in Bangladesh.

In the examination, candidates may be required to:

- a. explain government's taxation objectives in the context of economic, social and environmental issues
- b. describe the range of taxation opportunities open to government and their relative advantages in meeting the government's taxation objectives
- c. explain the external influences on Bangladesh taxation objectives and policies and on the decisions taken by the Bangladesh courts on national taxation
- d. explain the current response of government and the courts towards tax schemes designed to circumvent the law
- e. explain why states negotiate and make double taxation agreements
- f. explain how tax treaties affect the contracting states' abilities to apply taxation
- g. describe the sources of national tax law and practice and their relative importance
- h. describe the likely impact on a taxpayer (business entity or individual) of the taxation objectives, policies and strategies proposed or adopted by governments or other authorities.

2. Ethical considerations

Candidates should be able to explain the ethical and professional issues for a professional accountant undertaking tax work.

In the examination, candidates may be required to:

- a. state the key ethical and professional issues for a professional accountant undertaking tax work
- b. explain the reasons for the existence of ethical or professional rules relating to the undertaking of tax work.

3. Administration

Candidates should be able to describe the basic system of administration relating to taxation in Bangladesh.

In the examination, candidates may be required to:

- a. determine when an individual or entity comes within the scope of relevant national taxes and what action, if any, it should take, including any time limits for that action
- b. determine due dates for
 - the making of returns and provision of other information to the relevant authorities
 - payments of tax
- c. describe the implications of late submission of returns and other information or late payments of tax and calculate any resulting interest or penalties
- d. identify the records that individuals and business entities must retain for taxation purposes, and state the periods for which those records must be retained
- e. Explain the different types of assessments

4. The taxation of business entities

Candidates should be able to describe how taxation in Bangladesh is applied to the income, expenditure, assets, liabilities or transactions of business entities.

In the examination, candidates may be required to:

- a. identify, for an entity, the national taxes applicable to different forms of income, expenditure, assets, liabilities or transactions, and state who is liable for the resulting taxation=

5. The taxation of individuals

Candidates should be able to describe how taxation in Bangladesh is applied to the income, expenditure, assets, liabilities or transactions of individuals.

In the examination, candidates may be required to:

identify, for any individual, the national taxes applicable to different forms of income, expenditure, assets, liabilities or transactions.

6. Value Added Tax (VAT)

Candidates should be able to describe the basic knowledge on VAT, some relevant terms, scope, registration, measurement, administration, turnover tax, supplementary duty and exempt goods and services.

In the examination, candidates may be required to:

- a. demonstrate the concept and definition:
- b. Identify the VAT registration procedures
- c. time & mode of VAT Payment
- d. determine value for application of VAT
- e. identify the application of zero rate, normal rate, truncated value and tariff value for VAT.
- f. recognize VAT deduction and/or collection at source.
- g. identify the input tax and output tax adjustment procedures
- h. explain the turnover and supplementary duty
- i. VAT books of accounts

Business Law – 50 Marks

Module aim

To ensure that students gain sufficient knowledge of different aspects and provisions of commercial laws which they may come across in the normal course of their professional work.

On completion of this module the students will be able to:

Overview of Companies Act, 1994

- LO1: explain provisions of company law relating to the nature and functions of companies, formation of companies and administrative consequences, provisions relating to share capital, directors and General Meetings;

The Negotiable Instruments Act, 1881

- LO2: recognize a negotiable instrument and to explain the legal position relating to such instrument and address the relevant provisions of the law;

The Partnership Act,1932

- LO3: recognize the existence of a partnership and demonstrate an understanding of the legal and commercial aspects of partnership;

The Bangladesh Labour Act, 2006 and Bangladesh Labour Rules, 2015

- LO4: demonstrate the knowledge on the main provisions of the Bangladesh Labour Act, 2006.

Method of assessment

The Business Law module is assessed by a 1.5 hours exam.

Specification grid:

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Marks available in the assessment will equate to the weightings below, while slight variations may occur to enable suitable questions to be set.

Syllabus Contents	Weighting (indicative %)
1 Overview of Companies Act, 1994	20
2 The Negotiable Instruments Act, 1881	30
3 The Partnership Act,1932	
4 The Bangladesh Labour Act, 2006 and Bangladesh Labour Rules, 2015	

The following learning outcomes should be read in conjunction with the relevant sections of the technical knowledge grids.

The Companies Act 1994: L01

1. Overview of Companies Act 1994

Students should be able to state and explain provisions of company law relating to company formation, company directors, share capital, etc.

In the assessment, candidates may be required to:

- a. identify different forms of business organizations;
- b. explain the differences between partnerships and companies including the advantages and disadvantages of incorporation, corporate personality and limited liability; and
- c. describe the nature and functions of companies compared with other legal persons;

Formation of companies and administrative consequences

- a. describe the procedures required to form a company by registration including any practical considerations;
- b. describe the legal and regulatory provisions relating to Capital, Shares, Issue of prospectus, including provisions on application, allotment, transfer and transmission of shares;
- c. explain the format, function and legal effect of a company's Memorandum and Articles of Association including requirements regarding filing of documents and returns, maintenance of records and accounts;

Share capital – capital maintenance

- d. explain the rules relating to capital maintenance and explain the rules on capital maintenance including purchase of shares; reduction of capital; and the rules on the payment of dividends according to the Companies Act 1994;

Directors

- e. describe the ways in which a director may be appointed and removed;
- f. provisions regarding the meetings of the directors;
- g. explain the powers of directors and in what circumstances they will bind the company in a contract with third parties;
- h. identify the situations when the shareholders will be able to challenge the directors' power to manage the company.

2. The Negotiable Instruments Act 1881: L02

Law provisions regarding promissory notes, bill of exchange, cheques,

Students should be able to state and explain provisions of Promissory notes, bills of exchange and cheques, etc.

In the assessment, candidates may be required to:

- a. define different types of Promissory notes, bills of exchange and cheques;
- b. describe negotiable instruments, payment and interest, discharge from liability on notes, bills and cheques;
- c. explain notice of dishonour, special provisions relating to cheques and bills of exchange;
- e. state the provision of penalties in case of dishonour of certain cheques for insufficiency of funds in the accounts.

3. The Partnership Act, 1932: L03

Formation, recognition, operation, reconstitution, and dissolution under the partnership act.

Students should be able to state and explain provisions of Partnership Act, 1932.

In the assessment, candidates may be required to:

- a. describe how a partnership may be created;
- b. recognize when a partnership exists between parties;
- c. define, apply and comment on:
 - Partnership and co-ownership
 - Partnership and a company
 - Partnership and Hindu family business
 - Classes of partners and partnership
 - Partnership property
 - Registration of firm
 - Relations of partners to one another and relations of partners to third party
 - Rights and responsibilities of the partners
 - Authority of partners
 - Minor as partner
 - Reconstitution of firm and dissolution of firm;
- d. identify the legal position in a given straightforward scenario concerning a partnership, applying the principles set out in learning outcomes from the above.

The Bangladesh Labour Act, 2006 and Bangladesh Labour Rules, 2015: L04

4. The Bangladesh Labour Act, 2006 and Bangladesh Labour Rules, 2015.

Students should be able to state and explain provisions of Bangladesh Labour Act and Rules.

In the assessment, the students will be required to:

concentrate on but not limited to:

- Statutory definitions
- Employment and conditions of service
- Maternity benefit
- Welfare measure
- Working hours and leave
- Wages and payment
- Compensation for injury by accident
- Workers' participation in company's profit
- Provident Fund and other terminal benefits.
- Misconduct, Punishment and Disciplinary Proceedings

Information Technology - 50 Marks

Module aim

To introduce students to the reasons for the use of IT in enterprises, the link between the strategy of a business and the IT that it uses in practice, and methods for managing IT and to outline the electronic commerce in business.

On completion of this module the students will be able to:

Information Systems in Business

- L01: Understand the five basic areas of information systems needed by business professionals, including the conceptual system components, major types of information systems and the trends in information systems along with managerial challenges associated with it.

Information Technologies

- L02: Understand and Identify history, trends, developments in different computer systems; and the major types of technologies used in peripheral devices for computer input, output, and storage.
- L03: Identify the basic features and trends in the major types of application software and system software used to support enterprise and end-user computing.
- L04: Understand the management of the data resources of computer-using organizations and understand the key database management concepts and applications in business information systems.
- L05: Understand the basics of the Internet and other telecommunication networks, business applications, and trends in technical telecommunications alternatives.

e-Business Systems

- L06: Understand how information systems integrate and support enterprise-wide business processes, as well as the business functions of marketing, manufacturing, human resource management, accounting, and finance.

Electronic Commerce Systems

- L07: Identify the basic process components of e-commerce systems, and discusses important trends, applications, and issues in e-commerce.

Enterprise Business Systems

- L08: Understand the goals and components of customer relationship management, enterprise resource planning, and supply chain management, and the benefits and challenges of these major enterprise applications.

Method of assessment

The Information Technology module will be examined using a paper-based assessment of 1.5 hours.

Specification Grid

This grid shows the relative weightings of chapters within this module and should guide the relative study time spent on each. Over time, the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitable questions to be set.

Syllabus area	Weighting (indicative %)
1 Information Systems in Business	20
2 Information Technologies	
3 e-Business Systems	20
4 Electronic Commerce Systems	
5 Enterprise Business Systems	10
	<u>50</u>

* Questions will be set covering all the above areas.

Information Systems in Business

- a) Foundation concepts: information systems in business (Reference: 1, Chapter – 1, Section I)
- b) Foundation concepts: the components of information systems (Reference: 1, Chapter – 1, Section II)

Information Technologies

- a) Hardware (Reference: 1, Chapter – 3)
- b) Software (Reference: 1, Chapter – 4)
- c) Data Resource Management (Reference: 1, Chapter – 5)
- d) Telecommunications and Network (Reference: 1, Chapter – 6)

e-Business Systems

- a) e-business systems (Reference: 1, Chapter – 7, Section I)
- b) Functional business systems (Reference: 1, Chapter – 7, Section II)

Electronic Commerce Systems

- a) Electronic commerce fundamentals (Reference: 1, Chapter – 9, Section I)
- b) e-Commerce applications and issues (Reference: 1, Chapter – 9, Section II)

Enterprise Business Systems

- a) Customer relationship management (CRM) (Reference: 1, Chapter – 8, Section I)
- b) Enterprise Resource Planning (ERP) (Reference: 1, Chapter – 8, Section II)
- c) Supply chain management (SCM) (Reference: 1, Chapter – 8, Section III)

References:

1. Management Information Systems: James A O'Brien, George M Marakas, and Ramesh Behl, Tata McGraw-Hill Education Private Limited

The following learning outcomes should be read in conjunction with the relevant sections of the technical knowledge grids.

Information Systems in Business LO1

1. Information Systems in Business

Candidates will be able to understand the five basic areas of information systems needed by business professionals, including the conceptual system components, major types of information systems and the trends in information systems along with managerial challenges associated with it.

In the assessment, candidates may be required to:

- a. Identify the concept of a system and how it relates to information systems.
- b. Explain why knowledge of information systems is important for business professionals and identify five areas of information systems knowledge that they need.
- c. Illustrate how the business applications of information systems can support a firm's business processes, managerial decision making, and strategies for competitive advantage.
- d. Illustrate several major types of information systems from experiences with business organizations in the real world.
- e. Identify several challenges that a business manager might face in managing the successful and ethical development and use of information technology in a business.
- f. Illustrate the components of real world information systems. Illustrate that in an information system, people use hardware, software, data, and networks as resources to perform input, processing, output, storage, and control activities that transform data resources into information products.
- g. Demonstrate familiarity with the myriad of career opportunities in information systems

Information Technologies L02, L03, L04, L05

2. Information Technologies

- **Candidates will be able to understand and Identify history, trends, developments in different computer systems; and the major types of technologies used in peripheral devices for computer input, output, and storage.**
- **Candidates will be able to identify the basic features and trends in the major types of application software and system software used to support enterprise and end-user computing.**
- **Candidates will be able to understand the management of the data resources of computer-using organizations and understand the key database management concepts and applications in business information systems.**
- **Candidates will be able to understand the basics of the Internet and other telecommunication networks, business applications, and trends in technical telecommunications alternatives.**

In the assessment, candidates may be required to:

- a. Identify the major types and uses of microcomputer, midrange, and mainframe computer systems.
- b. Outline the major technologies and uses of computer peripherals for input, output, and storage.
- c. Identify and illustrate the components and functions of a computer system.
- d. Identify the computer systems and peripherals that would be acquired or recommended for a business and explain the reasons for selections.
- e. Illustrate several major types of application and system software.
- f. Explain the purpose of several popular software packages for end-user productivity and collaborative computing.

- g. Describe the main uses of computer programming software, tools, and languages.
- h. Describe the issues associated with open-source software.
- i. Explain the business value of implementing data resource management processes and technologies in an organization.
- j. Outline the advantages of a database management approach to managing the data resources of a business, compared with a file processing approach.
- k. Explain how database management software helps business professionals and supports the operations and management of a business.
- l. Understand the concept of a network and Identify the basic components, functions, and types of telecommunications networks used in business.
- m. Explain the functions of major components of telecommunications network hardware, software, media, and services and explain the concept of client/server networking.
- n. Explain the concepts behind TCP/IP and understand the seven layers of the OSI network model.

e-Business Systems LO6

3. e-Business Systems

Candidates will be able to understand how information systems integrate and support enterprise-wide business processes, as well as the business functions of marketing, manufacturing, human resource management, accounting, and finance.

In the assessment, candidates may be required to:

- a. Identify the following cross-functional enterprise systems, and illustrate how they can provide significant business value to a company:
 - i. Enterprise application integration
 - ii. Transaction processing systems
 - iii. Enterprise collaboration systems
- b. Illustrate how Internet and other information technologies support business processes within the business functions of accounting, finance, human resource management, marketing, and production and operations management.

Electronic Commerce Systems LO7

4. Electronic Commerce Systems

Identify the basic process components of e-commerce systems, and discusses important trends, applications, and issues in e-commerce.

In the assessment, candidates may be required to:

- a. Identify the major categories and trends of e-commerce applications.
- b. Identify the essential processes of an e-commerce system and give examples of how it is implemented in e-commerce applications.
- c. Identify and give examples of several key factors and Web store requirements needed to succeed in e-commerce.
- d. Identify and explain the business value of several types of e-commerce marketplaces.
- e. Discuss the benefits and trade-offs of several e-commerce clicks-and-bricks alternatives.

Enterprise Business Systems L08

5. Enterprise Business Systems

Understand the goals and components of customer relationship management, enterprise resource planning, and supply chain management, and the benefits and challenges of these major enterprise applications.

In the assessment, candidates may be required to:

- a. Identify and give examples to illustrate the following aspects of customer relationship management, enterprise resource management, and supply chain management systems:
 - i. Business processes supported
 - ii. Customer and business value provided
 - iii. Potential challenges and trends
- b. Understand the importance of managing at the enterprise level to achieve maximum efficiencies and benefits.

PROFESSIONAL LEVEL (PL)

Audit and Assurance – 100 Marks

Module aim

To develop candidates' understanding of the critical aspects of managing an assurance engagement (including audit engagements): acceptance, planning, managing, concluding and reporting.

On completion of this module, candidates will be able to:

Legal, regulatory and ethical issues

- LO1: understand and advise on the regulatory, professional and ethical issues relevant to those carrying out an assurance engagement;

Accept and manage engagements

- LO2: apply the processes involved in accepting and managing assurance engagements;
- LO3: explain how quality assurance processes mitigate risks;

Plan assurance engagements

- LO4: plan assurance engagements in accordance with the terms of the engagements and appropriate standards; and

Conclude and report on assurance engagements

- LO5: conclude and report on assurance engagements in accordance with the terms of the engagements and appropriate standards.

Method of assessment

The Audit and Assurance module is examined using traditional paper-based exams. The paper-based exam is 3 hours long. The exam tests each of the four syllabus areas in accordance with the weightings set out in the specification grid.

Ethics and law may be tested in any of the questions.

Specification grid

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

Syllabus area	Weighting (indicative %)
1 Legal and other professional regulations, ethical and current issues	20
2 Accepting and managing engagements	15
3 Planning engagements	40
4 Concluding and reporting on engagements	25

The following learning outcomes should be read in conjunction with the relevant sections of the technical knowledge grids.

For clarity, learning outcomes applicable to all types of assurance engagements (including audit) are separated from those that are relevant only to audit engagements.

Legal, regulatory and ethical issues: L01

1. Legal and other professional regulations, ethics and current issues

Candidates will be able to understand and advise on the regulatory, professional and ethical issues relevant to those carrying out an assurance engagement.

In the assessment, candidates may be required to:

All assurance engagements

- a. identify and advise upon the professional and ethical issues that may arise during an assurance engagement;
- b. recognise the professional and ethical issues that may arise during an assurance engagement, explain the relevance and importance of these issues and evaluate the relative merits of different standpoints taken in debate;
- c. judge when to raise legal and ethical matters arising from assurance work with senior colleagues for review and possible referral to external parties;
- d. discuss the purposes and consequences of laws and other regulatory requirements surrounding assurance work;
- e. explain the standard-setting process used by national and international (IAASB) bodies and the authority of the national and international standards;
- f. explain, in non-technical language, significant current assurance issues being dealt with by the national standard-setting body and the IAASB; and
- g. explain, using appropriate examples, the main ways in which national legislation affects assurance.

Audit engagements

- h. explain the main ways in which national legislation and other regulations affect the scope and nature of the audit and the appointment and removal of auditors (including the relationship between the law and auditing standards);
- i. explain the principles behind different auditing requirements in different jurisdictions and describe how national and international bodies are working to harmonise auditing requirements, including requirements to report on internal controls;
- j. describe the principal causes of audit failure and their effects and the gap between outcomes delivered by audit engagements and the expectations of users of audit reports; and
- k. discuss about the methodology of forensic accounting and auditing including accounting data, fraud detection, types of fraud, relevant rules and regulations, etc.

Accepting and managing engagements: L02, 3

2. Accepting and managing engagements:

Candidates will be able to understand the processes involved in accepting and managing assurance engagements and how quality assurance processes mitigate the risks to those conducting the engagement.

In the assessment, candidates may be required to:

All assurance engagements

- a. identify the legal, professional and ethical considerations that an individual or firm must consider before accepting a specified assurance engagement;
- b. identify the sources of liability (including professional negligence) arising from an assurance engagement and their impact upon the conduct of the engagement;
- c. discuss the issues which underlie the agreement of the scope and terms of an assurance engagement (new or continuing);
- d. formulate the approach suitable for management of the assurance engagement;
- e. discuss the principles and purposes of quality control of assurance engagements;
- f. demonstrate how the assurance function within an organization can be monitored; and
- g. describe how quality can be monitored and controlled through procedures external to the organization.

Audit engagements

- h. discuss the process by which an auditor obtains an audit engagement;
- i. discuss the issues and risks that an individual auditor or audit firm must consider with regard to the acceptance of an audit engagement (new or continuing) with a client, including terms of engagement and their documentation; and
- j. identify the legal, professional and ethical considerations that an individual auditor or audit firm must consider before accepting a specified audit engagement.

Plan assurance engagements: L04

3. Planning engagements

Candidates will be able to plan assurance engagements in accordance with the terms of the engagements and appropriate standards.

In the assessment, candidates may be required to:

All assurance engagements

- a. explain, in the context of a given scenario, why it is important to have an understanding of the business when planning an engagement;
- b. identify ways of gaining an understanding of a client's business;
- c. recognise the circumstances under which it may be necessary to bring in expertise (including expertise in cyber security) from other parties to support assurance processes;
- d. identify the risks arising from, or affecting, a given set of business processes (including risks associated with cyber security) and circumstances and assess their implications for the engagement;

- e. identify the risks arising from error, fraud and non-compliance with law and other regulations and assess their implications for the engagement;
- f. assess significant business risks (including risks associated with cyber security) identified for their potential impact upon an organization, in particular their potential impact on performance measurement;
- g. identify the components of risk for a specified assurance engagement;
- h. assess the impact of risk and materiality on the engagement plan, including the nature, timing and extent of assurance procedures, for a given organization;
- i. discuss the benefits and limitations of analytical procedures at the planning stage;
- j. determine an approach appropriate for an engagement for a specified organization which addresses:
 - possible reliance on controls (including those within IT systems)
 - possible reliance on the work of internal audit
 - possible reliance on the work of other experts
 - possible reliance on the work of another auditor
 - probable extent of tests of controls and of substantive procedures, including analytical procedures
 - the nature and extent of client-generated information
 - the probable number, timing, staffing and location of assurance visits
 - the assurance of entities' published sustainability and corporate responsibility reports.

Audit engagements

- k. identify the components of audit risk for a specified audit engagement, including the breakdown of audit risk into inherent risk, control risk and detection risk;
- l. outline the aspects of employment and social security law which are relevant to statutory audit;
- m. discuss the differences between the audit of a non-specialised profit-oriented entity and the audit of a given specialised profit-oriented entity;
- n. discuss the differences between the audit of a non-specialised profit oriented entity and the audit of a given not-for-profit entity;
- o. specify and explain the steps necessary to plan, perform, conclude and report on the audit of the financial statements of a non-specialised profit-oriented entity in accordance with the terms of the engagement including appropriate auditing standards; and
- p. evaluate the impact of risk and materiality in preparing the audit plan, including the nature, timing and extent of audit procedures.

Concluding and report on assurance engagements: L05

4. Concluding and reporting on engagements

Candidates will be able to conclude and report on assurance engagements in accordance with the terms of the engagements and appropriate standards.

In the assessment, candidates may be required to:

All assurance engagements

- a. describe the nature and timing of specific procedures designed to identify subsequent events that may require adjustment or disclosure in relation to the matters being reported on;
- b. describe the nature and timing of specific procedures designed to identify the appropriateness of the going concern assumption, including compliance with relevant legal and regulatory requirements;
- c. evaluate, quantitatively and qualitatively (including use of analytical procedures), the results and conclusions obtained from assurance procedures;
- d. draw conclusions on the ability to report on an assurance engagement which are consistent with the results of the assurance work;
- e. draft suitable extracts for an assurance report (including any report to the management issued as part of the engagement) in relation to a specified organization on the basis of given information, including in the extracts (where appropriate) statements of facts, their potential effects, and recommendations for action relevant to the needs and nature of the organization being reported upon;
- f. advise on reports to be issued to those responsible for governance in accordance with International Standards on Auditing, legislation, regulation and codes of corporate; and
- g. judge when to refer reporting matters for specialist help;

Audit engagements

- h. draw conclusions on the ability to report on an audit engagement, including the opinion for a statutory audit, which are consistent with the results of the audit work;
- i. explain the elements (both explicit and implicit) of the auditor's report issued in accordance with the International Standards on Auditing and statutory requirements and recommend the nature of an audit opinion to be given in such a report; and
- j. draft suitable extracts for an audit report (including any report to the management issued as part of the engagement) in relation to a specified organization on the basis of given information, including in the extracts (where appropriate) statements of facts, their potential effects, and recommendations for action relevant to the needs and nature of the organization being reported upon.

Financial Accounting and Reporting – 100 Marks

Module aim

To enable candidates to prepare complete single entity and consolidated financial statements, and extracts from those financial statements, covering a wide range of International Financial Reporting Standards (IFRS).

Candidates will also be required to explain accounting and reporting concepts and ethical issues, and the application of IFRS to specified single entity or group scenarios.

On completion of this module, students will be able to:

Accounting and reporting concepts and ethics

- L01: Explain the characteristics, purpose and limitations of financial statements
- L02: Explain and discuss key financial reporting concepts
- L03: Identify and explain ethical issues

Single entity financial statements

- L04: Prepare single entity financial statements
- L05: Apply IFRS to specific scenarios

Consolidated financial statements

- L06: Prepare consolidated financial statements
- L07: Apply IFRS to specific scenarios

Learning outcomes apply to non-specialised profit-oriented entities unless otherwise specified.

Method of assessment

The Financial Accounting and Reporting module will be 3 hours long.

The module will include questions on:

- a. preparation of single entity financial statements (excluding statement of cash flows) from trial balance or draft financial statements;
- b. preparation of consolidated financial statements (excluding consolidated statement of cash flows) from individual financial statements; and
- c. explanation of the application of IFRS to specified scenarios.

Other question types could include:

- a. preparation of a full consolidated statement of cash flow, or extracts therefrom, from consolidated financial statements, or preparation of revised extracts from a draft consolidated statement of cash flows; and
- b. mixed or single topic questions requiring extracts from single entity or consolidated financial statements (including from statement of cash flows) and/or explanation of financial reporting treatment with supporting calculations.

Concepts and ethics will be tested in any of the written test questions.

Specification grid

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

Syllabus area	Weighting (indicative %)
1 Accounting and reporting concepts and ethics	10
2 Single entity financial statements	60
3 Consolidated financial statements	30

The following learning outcomes should be read in conjunction with the relevant sections of the technical knowledge grids.

Accounting and reporting concepts and ethics: LO1-3

1. Accounting and reporting concepts and ethics

Candidates will be able to explain the contribution and inherent limitations of financial statements, apply the International Accounting Standards Board's conceptual framework for financial reporting and identify and explain key ethical issues.

In the assessment, candidates may be required to:

- a. explain the standard-setting process used by international bodies and the authority of international standards, using appropriate examples as illustration;
- b. explain the objectives and inherent limitations of financial statements, giving appropriate examples;
- c. explain the qualitative characteristics of financial information and the constraints on such information, using appropriate examples to illustrate the explanation;
- d. identify the financial effects of transactions in accordance with the IASB Conceptual Framework;
- e. discuss the concepts of 'fair presentation' and 'true and fair view' and the circumstances in which these concepts may override the detailed provisions of legislation or of accounting standards;
- f. explain the differences between financial statements produced using the accrual basis and those produced using the bases of cash accounting and break-up, performing simple calculations to illustrate the differences;
- g. explain, in non-technical language, the different bases of measurement of the elements of the financial statements and the different definitions of capital and capital maintenance used in accrual basis financial statements, illustrating the explanation with simple calculations and examples;
- h. explain and demonstrate the concepts and principles surrounding the consolidation of financial statements; and
- i. identify and explain the ethical and professional issues for a professional accountant undertaking work in financial accounting and reporting and identify appropriate action.

Single entity financial statements: L04, 5

2 Single entity financial statements

Candidates will be able to prepare and present financial statements from accounting data for single entities in conformity with IFRS requirements and explain the application of IFRS to specified single entity scenarios.

In the assessment, candidates may be required to:

- a. identify the laws and regulations, and accounting standards and other requirements applicable to the statutory financial statements of an entity;
- b. calculate from financial and other data the amounts to be included in an entity's financial statements according to the international financial reporting framework;
- c. prepare and present the financial statements, or extracts therefrom, of an entity according to its accounting policies and appropriate international financial reporting standards;
- d. explain the application of IFRS to specified single entity scenarios;
- e. define and calculate from information provided the distributable profits of an entity; and
- f. identify the circumstances in which the use of IFRS for not-for-profit entities might be required.

Consolidated financial statements: L06, 7

3. Consolidated financial statements

Candidates will be able to identify the circumstances in which entities are required to present consolidated financial statements, prepare and present them in conformity with IFRS and explain the application of IFRS to specified group scenarios.

In the assessment, candidates may be required to:

- a. identify and describe the circumstances in which an entity is required to prepare and present consolidated financial statements;
- b. identify the laws and regulations, and accounting standards and other requirements applicable to the legal entity and consolidated financial statements of an entity;
- c. identify from financial and other data any subsidiary, associate or joint venture of an entity according to the international financial reporting framework;
- d. calculate from financial and other data the amounts to be included in an entity's consolidated financial statements in respect of its new, continuing and discontinued interests in subsidiaries, associates and joint ventures (excluding partial disposals of subsidiaries and disposals of associates or joint ventures) according to the international financial reporting framework;
- e. prepare and present the consolidated financial statements, or extracts therefrom, of an entity in accordance with its accounting policies and the international financial reporting framework, using calculated amounts and other information; and
- f. explain the application of IFRS to specified group scenarios.

Business Strategy – 100 Marks

Module aim

To provide candidates with an understanding of how businesses develop and implement strategy, including any ethical implications.

On completion of this module, candidates will be able to:

Strategic analysis

- L01: identify and analyse the consequences of a business's current objectives, market position and direction;

Strategic choice

- L02: evaluate the likely consequences of strategic choices
- L03: recommend strategies to meet the objectives of a business

Implementation and monitoring of strategy

- L04 : recommend appropriate methods of implementing strategies and
- L05: demonstrate how management information can be used subsequently to measure and monitor strategic performance.

Method of assessment

The Business Strategy module is examined using traditional paper-based exams. The paper-based exam is 3 hours long. The exam consists of three scenario-based questions, covering a range of different industries and types of organisation. Each question will cover one or more syllabus areas. Ethics may be tested in any of the questions.

Specification grid

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

Syllabus area	Weighting (indicative %)
1 Strategic analysis	35
2 Strategic choice	35
3 Implementation and monitoring of strategy	30

The following learning outcomes should be read in conjunction with the relevant sections of the technical knowledge grids.

Strategic analysis: L01

1. Strategic analysis

Candidates will be able to analyse and identify the consequences of a business's current objectives, market position and direction.

In the assessment, candidates may be required to:

- a. evaluate a business's purpose, in terms of its stated mission, objectives and critical success factors, highlighting omissions, inconsistencies and weaknesses, and considering the different objectives of stakeholders;
- b. analyse for a given situation the external factors which may impact upon a business's performance and position, identifying significant issues in areas such as:
 - sustainability issues
 - macroeconomic forces
 - international trade, financial systems and global economic factors
 - government policies
 - its industry and markets, including competition
 - cultural environment
 - stakeholder impact
 - markets for finance, labour and other resources
 - supply chain factors;
- c. analyse a business's current markets and competitive strategy in sufficient detail for decisions to be made, drawing conclusions consistent with the data and results and highlighting relevant issues in terms of their likely impact on the strategy of the business;
- d. identify the significance and effect of the internal factors in a given situation which affect or may influence a business's ability to achieve its chosen strategy, including its:
 - current resources
 - product/service portfolio
 - value chain
 - organizational and operational capabilities (including core competencies, existing business processes, human resource capabilities and information systems capabilities);
 - approach to big data.
- e. analyse the governance structure of a business identifying strengths and weaknesses;
- f. identify the risk attached to a business's present position, considering all relevant factors (including attitudes to risk, security and cyber security);
- g. assess a business's current position and performance from both a financial perspective and a non-financial perspective, using management information and data analysis; and
- h. explain the ethical factors to be considered in determining the scope and nature of a business's objectives and its strategic analysis, having regard to the legitimate interests of all stakeholder groups.

Strategic choice: L02, 3

2. Strategic choice

Candidates will be able to evaluate the likely consequences of strategic choices and recommend strategies to meet the objectives of a business.

In the assessment, candidates may be required to:

- a. identify, describe and evaluate in a given scenario the alternative strategies available to a business;
- b. explain and demonstrate how a business can collect and analyse financial and other data in order to provide relevant information for strategic decision making at an appropriate level within the business;
- c. identify the implications for stakeholders, including shareholder value, of choice between strategies;
- d. identify the risks attached to proposed courses of action in a given situation, considering all relevant factors (including attitudes to risk) stating all assumptions made and identifying strategies for managing risk;
- e. show, in a given scenario, how a business chooses from competing strategies in order to maximise the achievement of its key objectives, including those relating to corporate responsibility and sustainability;
- f. evaluate the ethical implications of a business's strategies and operations including those for the organization and for individuals (including the accountant in business and others);
- g. choose, for a given scenario, a strategy or combination of strategies which will best achieve the business's objectives, taking account of known constraints, including stakeholder risk preferences;
- h. explain, in a given scenario, how products and services must evolve in the face of changing consumer demand and industry competition;
- i. explain, using information provided, how to position particular products and services in the market place to maximise competitive advantage and develop a marketing strategy; and
- j. explain and demonstrate how a business can use management accounting techniques to evaluate its proposed strategies, including the risk associated with forecasts.

Implementation and monitoring of strategy: L04, 5

3. Implementation and monitoring of strategy

Candidates will be able to recommend appropriate methods of implementing strategies and demonstrate how management information can be used subsequently to measure and monitor strategic performance.

In the assessment, candidates may be required to:

- a. evaluate, in a given scenario, the functional strategies necessary to achieve a business's overall strategy;
- b. evaluate the different types of organizational structure and recommend an appropriate structure for a given strategy;
- c. identify the steps needed for a given business to develop its corporate governance to meet the needs of its strategic objectives and external requirements;
- d. identify and evaluate methods of further developing a specific business which adjust existing strategies or implement new strategies to take account of changing position and risk;
- e. draft a simple business plan, or extracts therefrom, which will achieve given or implied objectives;
- f. evaluate the form and content of an entity's business plan;

- g. explain and demonstrate how financial and non-financial data, including budgets and other management information, can be analysed in order to implement and manage a business's strategy and to monitor the performance of its projects, divisions and other strategic units;
- h. explain and demonstrate how a business can collect and analyse data, including big data, to provide management accounting and other management information that enables it to implement, monitor and modify a strategy and to create or sustain competitive advantage;
- i. identify in a given situation the key issues which should be addressed by the management of a business during the planning and implementation of change; and
- j. evaluate the ethical implications of how a business chooses to implement and modify its strategies, suggesting appropriate courses of action to resolve ethical dilemmas that may arise.

Financial Management - 100 Marks

Module aim

To enable candidates to recommend relevant options for financing a business, recognise and manage financial risks and make appropriate investment decisions.

On completion of this module, candidates will be able to:

Financing options

- L01: identify capital requirements of businesses;
- L02: assess financing options and recommend relevant methods of financing;

Managing financial risk

- L03: identify the financial risks facing a business and the principal methods of managing those risks; and

Investment decisions and valuation

- L04: apply appropriate investment appraisal techniques taking into account other factors affecting investment decisions.

Method of assessment

The Financial Management module is examined using traditional paper-based assessments. The paper-based exam is 3 hours long.

Ethics may be tested in any of the questions.

Specification grid

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

Syllabus area	Weighting (indicative %)
1 Financing options	35
2 Managing financial risk	30
3 Investment decisions and valuation	35

The following learning outcomes should be read in conjunction with the relevant sections of the technical knowledge grids.

Financing options: L01, 2

1. Financing options

Candidates will be able to identify capital requirements of businesses and assess financing options.

In the assessment, candidates may be required to:

- a. explain the general objectives of financial management, understand and apply the fundamental principles of financial economics and describe the financial strategy process for a business;

- b. explain the roles played by different stakeholders, advisors and financial institutions in the financial strategy selected by a business and identify possible conflicts of objectives;
- c. evaluate the ethical implications of an entity's financial strategy (including those for the organization, individuals and other stakeholders) and suggest appropriate courses of action to resolve any ethical dilemmas that may arise;
- d. describe the impact of financial markets (including their efficiency) and other external factors on a business's financial strategy, using appropriate examples to illustrate the impacts;
- e. describe the implications of terms included in loan agreements in a given scenario (eg, representations and warranties; covenants; guarantees);
- f. calculate and interpret the costs of different sources of finance (before and after tax) and the weighted average cost of capital;
- g. explain, in non-technical terms and using appropriate examples, the effect of capital gearing both on investors' perception of risk and reward and the weighted average cost of capital;
- h. calculate and justify an appropriate discount rate for use in an investment appraisal taking account of both the risk of the investment and its financing;
- i. compare the features of different means of making returns to lenders and owners (including dividend policy), explain their effects on the business and its stakeholders, and recommend appropriate options in a given scenario;
- j. forecast the capital requirements for a business taking into account current and planned activities and/or assess the suitability of different financing options to meet those requirements, comparing the financing costs and benefits, referring to levels of uncertainty and making reasonable assumptions which are consistent with the situation; and
- k. draft a straightforward investment and financing plan for a given business scenario.

Managing financial risk: LO3

2. Managing financial risk

Candidates will be able to identify the main price and overseas trading risks facing a business and the principal methods of managing those risks.

In the assessment, candidates may be required to:

- a. identify and describe the key price risks facing a business in a given scenario;
- b. explain how financial instruments (e.g., derivatives, hedging instruments) can be used to manage price risks and describe the characteristics of those instruments;
- c. explain different methods of managing interest rate risk appropriate to a given situation and perform non-complex calculations to determine the cost of hedging that risk;
- d. explain different methods of managing currency risks appropriate to a given situation and perform non-complex calculations to determine the cost of hedging that risk;
- e. explain different methods of managing share price risk and perform non-complex calculations to determine the cost of hedging that risk; and
- f. explain the additional risks of trading abroad and outline the methods available for reducing those risks.

Investment decisions and valuation: L04

3. Investment decisions and valuation

Candidates will be able to apply investment appraisal techniques and calculate the value of shares and businesses.

In the assessment, candidates may be required to:

- a. outline the investment decision making process and explain how investment decisions are linked to shareholder value;
- b. select appropriate values to be used in an investment appraisal from information supplied, taking account of relevant cash flows, inflation and tax;
- c. calculate and discuss the sensitivity of an investment decision to changes in the input factors;
- d. discuss how the interpretation of results from an investment appraisal can be influenced by an assessment of risk;
- e. recognise how the results of the appraisal of projects are affected by the accuracy of the data on which they are based and strategic factors (such as real options) which could not be included in the computational analysis;
- f. identify in the business and financial environment factors that may affect investment in a different country;
- g. calculate the optimal investment plan when capital is restricted;
- h. recommend and justify a course of action which is based upon the results of an investment appraisal and consideration of relevant non-financial factors such as sustainability and which takes account of the limitations of the techniques being used; and
- i. describe options for reconstruction (e.g., merger, takeover, spin-off, purchase of own shares and value shares and businesses using income and asset based approaches).

Taxation 2 - 100 Marks

Module aims

To develop students' knowledge of taxation in Bangladesh gained at the Certificate level and to enable them to undertake straightforward tax computations for individuals and business entities. To give students a working knowledge of the processes of tax investigations and disputes, and to enable them to explain the reasons for professional ethical requirements in the area of tax work.

On completion of this module, students will be able to:

- explain the relevance of ethical and professional issues for a professional accountant undertaking tax work
- provide information to business entities and to individuals on the amount of taxation that they may owe to or be owed by the taxation authorities
- advise and assist business entities and individuals in the adherence to regulations surrounding taxation
- provide information to business entities and to individuals on the effects of national taxes, including circumstances where foreign taxes affect national taxes
- describe the processes of tax investigations and taxation disputes

METHOD OF ASSESSMENT

The Taxation 2 module is assessed by a 3-hour written exam. The questions cover the areas of the syllabus in accordance with the weightings set out in the specification grid. Students will be assessed through computations, advice, planning and problem solving in case-based scenario.

Specification Grid

Syllabus Contents	Weighting (indicative %)
1 Ethical considerations	10
2 Investigations and disputes	10
3 The taxation of business entities	30
4 The taxation of individuals	30
5 Value Added Tax (VAT)	20

1. Ethical considerations

Candidates should be able to explain the relevance of ethical and professional issues for a professional accountant undertaking tax work.

In the examination, candidates may be required to:

- a. explain the relevance and importance of key ethical and professional issues for a professional accountant undertaking tax work;
- b. judge when to refer taxation matters for senior help;

2. Investigations and disputes

Candidates should be able to describe the processes of tax investigations and taxation disputes.

In the examination, candidates may be required to:

- a. identify the periods within which the relevant authorities can enquire into a taxpayer's returns or other information and tax liabilities and describe the taxpayer's right of appeal;
- b. describe the process for dealing with taxation disputes;

3. The taxation of business entities

Candidates should be able to provide information to business entities on the amount of taxation that they may owe to or be owed by the taxation authorities, advise and assist business entities in the adherence to regulations surrounding taxation, and provide information on the effects of national taxes, including circumstances where foreign taxes affect national taxes.

In the examination, candidates may be required to:

- a. identify investments and expenditure which legally reduce tax liability and judge when they might be appropriate;
- b. identify for actual or proposed transactions those treatments that are illegal for tax purposes and explain the reasons for the illegality;
- c. explain how tax considerations can affect any investment decisions of a business entity;
- d. explain how tax considerations can affect financial reporting by an entity;
- e. calculate the amounts subject to national, regional and local taxation, the resulting amount of tax payable or recoverable by an entity and the effects of any foreign taxes on those amounts (the calculation of foreign tax liabilities is not required);
- f. identify how tax losses can be used by a business entity;
- g. describe the effect of a change in the ownership of a business entity on its tax losses;
- h. explain how alternative methods of achieving business objectives can lead to different tax outcomes;
- i. calculate the tax implications for a business entity of different courses of action, taking into account the relevant taxes and other relevant implications;
- j. identify the tax holiday issues.

4. The taxation of individuals

Candidates should be able to provide information to individuals on the amount of taxation that they may owe to or be owed by the taxation authorities, advise and assist individuals in the adherence to regulations surrounding taxation, and provide information on the effects of national taxes, including circumstances where foreign taxes affect national taxes.

In the examination, candidates may be required to:

- a. identify for actual or proposed transactions those treatments that are illegal for tax purposes and explain the reasons for the illegality;
- b. calculate the amounts subject to national taxation, the resulting amount of tax payable or recoverable by an individual or entity and the effects of any foreign taxes on those amounts (the calculation of foreign tax liabilities is not required);

- c. identify how tax losses can be used by an individual;
- d. explain how alternative methods of achieving personal objectives can lead to different tax outcomes;
- e. calculate the tax implications for an individual of different courses of action (borrowing, investment, expenditure etc.), taking into account the relevant taxes and other implications;

5. Value Added Tax (VAT)

Candidates should be able to explain the process of computation of VAT payable, administration, different schedules, turnover tax, supplementary duty, other relevant rules and procedures and advise and assist individual and business entities in the adherence to regulations surrounding VAT, turnover tax and supplementary duty.

In the examination, candidates may be required to:

- a. demonstrate the concept, definition and impact of VAT;
- b. explain the imposition of VAT, supplementary duty and identify the application of tax rate;
- c. explain the registration procedures, method of computation of VAT payable, time and mode of payment of VAT and turnover tax;
- d. mention the documents and return required for VAT administration;
- e. identify the different schedule for VAT and supplementary duty;
- f. identify the VAT authorities and its power and functions;
- g. explain the consequences for non-compliance of VAT rules and regulation;
- h. explain the VAT books of accounts, audit and investigation systems;
- i. explain the linkage of VAT systems with financial accounting, cost accounting, management accounting, supply chain and sales management systems of a business in Bangladesh;
- j. Explain the linkage of VAT rules and regulations with other laws applicable on the business of Bangladesh.

Corporate Laws and Practices – 100 Marks

Module aim

To ensure that students understand the critical aspects of business law and become proficient to apply the provisions of company law, other relevant laws and rules & regulations of Bangladesh Securities and Exchange Commission which they are likely to come across in discharging their professional responsibilities.

On completion of this module, students will be able to:

The Companies Act 1994 and Secretarial Practices

- L01: explain provisions of company law relating to the matters with regard to share capital, meetings of the shareholders and directors, borrowing, mortgages and charges;
- L02: describe the practical steps needed for carrying out the company secretarial functions;

Laws relating to the Securities and Exchange Commission

- L03: describe the contents and significance of a prospectus and listing regulations;
- L04: deal with the matters relating to rules and regulations of Bangladesh Securities and Exchange Commission;

Financial Reporting Act 2015

- L05: obtain knowledge on the provisions of the act.

The Bank Company Act 1991 and The Financial Institutions Act 1993

- L06: demonstrate their knowledge of the provisions of the Bank Company Act 1991; the Financial Institutions Act 1993;

The Insurance Act 2010 and Foreign Exchange Guidelines

- L07: demonstrate their knowledge of the provisions of the Insurance Act 2010; and Foreign Exchange Guidelines.

Method of assessment

The Corporate Laws and Practices module is assessed by a 3 hours exam.

Specification grid:

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Marks available in the assessment will equate to the weightings below, while variations may occur in individual assessments to enable suitable questions to be set.

Syllabus Contents	Weighting (indicative %)
1 The Companies Act 1994 and Secretarial Practices	60
2 Laws relating to the Securities and Exchange Commission	
3 Financial Reporting Act 2015	
4 The Bank Company Act 1991; 5 The Financial Institutions Act 1993	20
6 The Insurance Act 2010; 7 Foreign Exchange Regulations, 1947	20

1. The Companies Act 1994 and secretarial practices: LO1 &2

Students should be able to state and explain practical application of company law relating to the following areas and to describe the steps needed for carrying out the company secretarial functions.

In the assessment, the students may be required to:

- a. explain the concept of the veil of incorporation and in what circumstances it may be lifted, considering both case law and statute law;
- b. describe the procedures required to form a company by registration including any practical considerations;
- c. describe the legal and regulatory provisions relating to:
 - Capital, shares and debentures
 - Flotation of corporate securities
 - Issue of prospectus, including provisions on
 - underwriting
 - brokerage
 - discount and premium on share
 - bonus and rights issue of shares
 - application, allotment, transfer and transmission of shares.
- d. explain the format, function and legal effect of a company's Memorandum and Articles of Association and how they can be changed
- e. state the administrative consequences of incorporation including requirements regarding
 - filing of documents and returns
 - maintenance of records
 - disclosure of accounting and other information
 - share related issues
 - maintenance of statutory books
 - company meetings

Share capital – capital maintenance:

- f. The students should be able to explain the rules relating to capital maintenance and explain the rules on capital maintenance including purchase of shares, permissible capital payments, reduction of capital, financial assistance and the rules on payment of dividends according to the Companies Act 1994.

Shareholders:

- g. The students should be able to explain the relationship between the shareholders and the company.
- h. explain how a shareholder can influence the management of a company through meetings and resolutions, including shareholders' right to requisition a meeting;
- i. identify various statutory rights of shareholders to challenge the management of the company as per provisions of the Companies Act 1994.

Directors:

- j. The students should be able to explain the relationship between the directors and the company.
- k. describe the ways in which a director may be appointed and removed;
- l. describe directors' duties, explaining the consequences of any breach, e.g. fraudulent trading and negligence;
- m. explain the powers of directors and in what circumstances they will bind the company in a contract with third parties;
- n. identify the situations when the shareholders will be able to challenge the directors' power to manage the company.

Rules and regulations of Bangladesh Securities and Exchange Commission: L03 &4

2. Laws relating to the Securities and Exchange Commission (SEC)

Students should be able to state and explain practical application of SEC Rules and to describe the steps needed for prospectus and fulfil listing requirements.

In the assessment, the students may be required to:

- a. describe the contents and significance of Rules and regulations of Bangladesh Securities and Exchange Commission.
- b. rules relating to Issue of Capital, Right Issues and Private Placement of Debt Securities;
- c. listing Regulations of the Stock Exchanges;
- d. rules and regulations on corporate governance;
- e. application of the Securities and Exchange Commission rules with the requirements of the Companies Act, 1994.

Obtain knowledge on the provision of Financial Reporting Act 2015: L05

3. Financial Reporting Act, 2015

Students should be able to state and explain practical application of FRA and the benefits it would bring.

In the assessment, the students may be required to:

- a. demonstrate their knowledge on the provisions of Financial Reporting Act, 2015.

Obtain knowledge on the provision of Bank Company Act 1991 and the Financial Institutions Act 1993: L06

4. The Bank Company Act, 1991

The students should be able to demonstrate their knowledge on the provisions of the Bank Company Act 1991 and Financial Institution Act 1993.

In the assessment, candidates may be required to:

- a. define, apply and advise on:
 - business of and licensing of bank companies, paid up capital and reserves
 - appointment and removal of directors and chief executive officer

- illegal bank transactions by companies etc.
- acquisition of the undertaking of banking companies
- suspension of business and winding up of bank companies
- regulations and guidelines of Bangladesh Bank
- restriction on loans and advances
- issuance of policy directions
- remission of loans
- accounts and audit
- inspection and investigation
- submission of return and reports.

5. The Financial Institutions Act, 1993:

In the assessment, candidates may be required to

- define, apply and advise on:
 - licensing of financial institutions
 - minimum capital, reserve fund and liquid assets
 - restriction on credit facilities
 - investments
 - holdings of prospectus
 - powers of Bangladesh Bank in prescribing rules
 - accounts, audit and inspection
 - removal of directors.

Demonstrate the knowledge of the provisions of the Insurance Act 2010; and Foreign Exchange Guidelines: L07

6. The Insurance Act, 2010

The students should be able to demonstrate their knowledge on the main provisions of the Insurance Act, 2010.

In the assessment, the students will be required to:

- define, apply and advise on:
 - preliminary, classification of business and policies
 - Chief Controller of Insurance
 - registration and renewals
 - determination of premium rates
 - management expenses, capital and deposits, margin of safety
 - insurable interests

- accounts and audit
- actuarial report and abstract
- maintenance of registers and submission of returns
- investment of assets, solvency margin, loans and management
- investigation and power of regulatory authority
- assignment and transfer of policies
- licensing of agents
- survey and surveyors.

7. Foreign Exchange Regulations, 1947

In the assessment, the students will be required to:

a. define, apply and advise specially on:

- Foreign Currency Accounts of the ADS and Purchase and Sale of Foreign Currency
- Forward Dealings in Foreign Exchange
- Hedging the Price Risk of Commodities
- Inward and outward remittances
- Letters of Credits and Remittances against Imports
- Deposit of Counterpart Fund in respect of Imports under Non-Project Commodity Loans /Credits /Grants
- Export from the Export Processing Zone
- Foreign Investment in Bangladesh
- Commercial Remittances
- Private Foreign Currency Accounts
- Foreign Currency Accounts for the EPZ Companies
- Convertible and Non-Convertible Taka Accounts
- Borrowing Abroad by Residents.
- Opening of Office and appointment of Agents in Bangladesh by Non-Residents: repatriation of earnings of commission, fees etc.
- Non-Resident Investor's Taka Accounts (NITA)
- Credit facilities to industries in Export Processing Zones
- Payment through International Cards
- Submission of return on Foreign Direct Investment (FDI) and Private Sector External Debt (PSED)

IT Governance – 100 Marks

Module aim

To ensure that students can understand and apply knowledge relating to controls used in computer – based systems, and to encourage a systematic understanding and a systematic approach to the use of computers in organizations.

On completion of this module the students will be able to:

Information Technology Policies and Laws

- L01: Explain the implementation of the various legal, ethical and social issues and policies regarding the Information System.

Decision Support Systems

- L02: Demonstrate how management information systems, decision support systems, executive information systems, expert systems, and artificial intelligence technologies can be applied to decision-making situations faced by business managers and professionals in today's dynamic business environment.

IT Governance, Organisation and Strategy

- L03: Understand the IT governance, management and control frameworks and related standards, guidelines and practices along with features of information system, impact of information system, different strategic models and challenges of information system.

Information Systems Security

- L04: Identify the threats against and defences needed for the performance and security of business information systems as well as societal impact and ethical implications of information technology. Learn about enterprise's security policies, standards, procedures and controls ensure the confidentiality, integrity and availability of information assets.

Developing Business/IT Solutions

- L05: Understand the traditional, prototyping, and end-user approaches to the development of information systems and discusses the processes and managerial issues in the implementation of new business applications of information technology.

Information Systems Auditing

- L06: Demonstrate the knowledge necessary to audit information system in accordance with IS audit standards to assist the organization with protecting and controlling information systems.

Method of assessment

The Information Technology Governance module will be examined using a paper-based assessment of 3 hours.

Specification Grid

This grid shows the relative weightings of chapters within this module and should guide the relative study time spent on each. Over time, the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitable questions to be set.

Syllabus area	Weighting (indicative %)
1 Information Technology Policies and Laws	10
2 Decision Support Systems	20
3 IT Governance, Organisation and Strategy	15
4 Information Systems Security	20
5 Developing Business/IT Solutions	15
6 Information Systems Auditing	20
	100

* Questions will be set covering all the above areas.

1. Information Technology Policies and Laws

- a. National IT Policy, 2009 (Reference: 4)
- b. Information and Communication Technology Act, 2006 (Reference: 5)
- c. Ethical and social issues in information systems (Reference: 2, Chapter – 4)

2. Decision Support Systems

- a. Decision support in business (Reference: 1, Chapter – 10, Section I)
- b. Artificial intelligence technologies in business (Reference: 1, Chapter – 10, Section II)
- c. Understanding blockchain technology (Reference: 7)
- d. Understanding fintech technologies (Reference: 8)

3. IT Governance, Organisation and Strategy

- a. IT Governance (Reference: 6)
- b. IT Organisations and strategy (Reference: 2, Chapter – 3)

4. Information Systems Security

- a. System vulnerability and abuse (Reference: 2, Chapter – 8, Section 8.1)
- b. Business value of security control (Reference: 2, Chapter – 8, Section 8.2)
- c. Ethical responsibilities of business professional (Reference: 1, Chapter – 13, Section I)
- d. Computer crime (Reference: 1, Chapter – 13, Section I)
- e. Privacy issues (Reference: 1, Chapter – 13, Section I)
- f. Current state of cyber law (Reference: 1, Chapter – 13, Section I)
- g. Other challenges (Reference: 1, Chapter – 13, Section I)
- h. Establishing a framework for security and control (Reference: 2, Chapter – 8, Section 8.3)

- i. Technologies and tools for security (Reference: 2, Chapter – 8, Section 8.4)
- j. Information security management (Reference: 3, Chapter – 5, Section 5.2)
- k. Auditing information security management framework (Reference: 3, Chapter – 5, Section 5.5)
- l. Cybersecurity (Reference 13 – Page 7 to 11)

5. Developing Business/IT Solutions

- a. Developing business systems (Reference: 1, Chapter – 12, Section I)
- b. Implementing business systems (Reference: 1, Chapter – 12, Section II)

6. Information Systems Auditing

- a. Management of the IS audit function (Reference: 3, Chapter – 1, Section 1.2)
- b. ISACA IS audit and assurance standards and guidelines (Reference: 3, Chapter – 1, Section 1.3)
- c. IS controls (Reference: 3, Chapter – 1, Section 1.4)
- d. Performing an IS audit (Reference: 3, Chapter – 1, Section 1.5)
- e. Communicating audit results (Reference: 3, Chapter – 1, Section 1.6)

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The following learning outcomes should be read in conjunction with the relevant sections of the technical knowledge grids.

Information Technology Policies and Laws LO1

1. Information Technology Policies and Laws

Candidates will be able to explain the implementation of the various legal, ethical and social issues and policies regarding the Information System.

In the assessment, candidates may be required to:

- a. Identify the purpose of IT policies, standards and procedures for an organization and the essential elements of each.
- b. Identify the relevant laws, regulations and industry standards affecting the organization
- c. Demonstrate the impact of Ethical and social issues in information systems

- d. Discuss the different provisions of National IT Policy 2009, Information and communication Technology Act 2006.

Decision Support Systems L02

2. Decision Support Systems

Candidates will be able to demonstrate how management information systems, decision support systems, executive information systems, expert systems, and artificial intelligence technologies can be applied to decision-making situations faced by business managers and professionals in today's dynamic business environment.

In the assessment, candidates may be required to:

- a. Identify the changes taking place in the form and use of decision support in business.
- b. Identify the role and reporting alternatives of management information systems.
- c. Describe how online analytical processing can meet key information needs of managers.
- d. Explain the decision support system concept and how it differs from traditional management information systems.
- e. Explain how the following information systems can support the information needs of executives, managers, and business professionals:
 - i. Executive information systems
 - ii. Enterprise information portals
 - iii. Knowledge management systems
- f. Identify how neural networks, fuzzy logic, genetic algorithms, virtual reality, and intelligent agents can be used in business.
- g. Illustrate the ways expert systems can be used in business decision-making situations.

IT Governance, Organisation and Strategy L03

3. IT Governance, Organisation and Strategy

Candidates will be able to understand the IT governance, management and control frameworks and related standards, guidelines and practices along with features of information system, impact of information system, different strategic models and challenges of information system.

In the assessment, candidates may be required to:

- a. Evaluate the effectiveness of the IT governance structure to determine whether IT decisions, directions and performance support the organization's strategies and objectives.
- b. Evaluate the IT strategy, including the IT direction, and the processes for the strategy's development, approval, implementation and maintenance for alignment with the organization's strategies and objectives.
- c. Explain the organization's technology direction and IT architecture and their implications for setting long-term strategic directions
- d. Identify features of organizations managers need to know about to build and use information systems successfully.
- e. Identify the impact of information systems on organizations.

- f. Demonstrate Porter's competitive forces model, the value chain model, synergies, core competencies, and network economics that help companies develop competitive strategies using information systems.
- g. Identify the challenges posed by strategic information systems and how should they be addressed.

Information Systems Security LO4

4. Information Systems Security

Candidates will be able to identify the threats against and defences needed for the performance and security of business information systems as well as societal impact and ethical implications of information technology. Candidates will also learn about enterprise's security policies, standards, procedures and controls ensure the confidentiality, integrity and availability of information assets.

In the assessment, candidates may be required to:

- a. Identify information systems vulnerability to destruction, error, and abuse.
- b. Identify the business value of security and control.
- c. Identify the components of an organizational framework for security and control.
- d. Demonstrate the most important tools and technologies for safeguarding information resources.
- e. Identify several ethical issues regarding how the use of information technologies in business affects employment, individuality, working conditions, privacy, crime, health, and solutions to societal problems.
- f. Identify several types of security management strategies and defences and explain how they can be used to ensure the security of business applications of information technology.
- g. Evaluate the information security and privacy policies, standards and procedures for completeness, alignment with generally accepted practices and compliance with applicable external requirements.
- h. Evaluate the design, implementation, maintenance, monitoring and reporting of physical and environmental controls to determine whether information assets are adequately safeguarded.

Developing Business/IT Solutions LO5

5. Developing Business/IT Solutions

Candidates will be able to understand the traditional, prototyping, and end-user approaches to the development of information systems and discusses the processes and managerial issues in the implementation of new business applications of information technology.

In the assessment, candidates may be required to:

- a. Use the systems development process outlined as problem-solving frameworks to propose information systems solutions to simple business problems.
- b. Describe and illustrate how to use each of the steps of the information systems development life cycle to develop and implement a business information system.
- c. Explain how prototyping can be used as an effective technique to improve the process of systems development for end users and IS specialists.
- d. Demonstrate the basics of project management and their importance to a successful system development effort.
- e. Identify the activities involved in the implementation of new information systems.
- f. Compare and contrast the four basic system conversion strategies.

- g. Describe several evaluation factors that should be considered in evaluating the acquisition of hardware, software, and IS services.

Information Systems Auditing L06

6. Information Systems Auditing

Demonstrate the knowledge necessary to audit information system in accordance with IS audit standards to assist the organization with protecting and controlling information systems.

In the assessment, candidates may be required to:

- a. Execute a risk-based IS audit strategy in compliance with IS audit standards to ensure that key risk areas are audited.
- b. Plan specific audits to determine whether information systems are protected, controlled and provide value to the organization.
- c. Conduct audits in accordance with IS audit standards to achieve planned audit objectives.
- d. Communicate audit results and make recommendations to key stakeholders through meetings and audit reports to promote change when necessary.
- e. Conduct audit follow-ups to determine whether appropriate actions have been taken by management in a timely manner.

Advanced Level Modules

Corporate Reporting – 100 Marks

Module aim

To enable candidates to apply technical knowledge, analytical techniques and professional skills to resolve financial reporting issues that arise in the context of the preparation and evaluation of corporate reports and from providing audit services.

Candidates will be required to use technical knowledge and professional judgement to identify, explain and evaluate alternatives. The commercial context and impact of recommendations and ethical issues will also need to be considered in making such judgements.

On completion of this module, candidates will be able, for complex transactions and complex scenarios, for single entities and groups of varying sizes and in a variety of industries (including banks and other financial institutions (finance companies, mutual funds, merchant bankers), insurance companies, stock brokers and electricity companies), to:

Corporate Reporting - Compliance

- L01: Select appropriate corporate reporting policies.
- L02: Apply technical knowledge from individual accounting standards and apply professional skills to integrate knowledge where several accounting standards are simultaneously applicable and interact to prepare financial statements.

Corporate Reporting – Financial statement analysis

- L03: Analyse, interpret, evaluate and compare financial statements of entities both over time and across a range of industries.
- L04: Evaluate corporate reporting policies, estimates and disclosures in a scenario in order to be able to assess whether they are in compliance with accounting standards.

Audit and Assurance

- L05: Explain the processes involved in planning and audit, evaluating internal controls, appraising risk including analyzing quantitative and qualitative data and using data analytics, gathering evidence and drawing conclusions in accordance with the terms of the engagement

Safeguard against ethical threats

- L06: Identify and explain ethical issues.
- L07: Recommend, justify and determine appropriate actions and safeguards to mitigate ethical threats.

Prior Knowledge

This module assumes and develops the knowledge and skills acquired in the Financial Accounting and Reporting module and in the Audit and Assurance module.

Background knowledge based upon the strategic elements of the Business Strategy and Financial Management modules will also be required in evaluating the business and financial risks of reporting entities.

Regulation

The regulations relating to auditing and corporate reporting will have international application and are therefore based upon standards and other regulations issued by the International Accounting Standards Board.

Ethics

Ethical codes will be those issued by IFAC. The ethical implications will be at both the organizational level and for individuals.

Method of assessment

Corporate Reporting will be examined using a paper-based assessment of 3 hours. Each exam will contain questions requiring integration of knowledge and skills, including ethics.

Ethical issues and problems could appear in any of the questions.

Specification grid

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will be within the ranges of weightings below, but slight variations may occur in individual papers to enable suitably rigorous questions to be set.

Syllabus area	Weighting (indicative %)
Corporate Reporting - Compliance Corporate Reporting – Financial statement analysis	55-65
Audit and Assurance	30-40
Ethics	5-10
	<u>100</u>

Corporate Reporting – Compliance: L01, L02

Students will be able to formulate, implement and evaluate accounting and reporting policies for single entities and groups of varying sizes and in a variety of industries. They will be able to discern and formulate the appropriate financial reporting treatment for complex transactions and complex scenarios. Students will be able to evaluate and apply technical knowledge from individual accounting standards and apply professional skills to integrate knowledge where several accounting standards are simultaneously applicable and interact.

In the assessment, candidates may be required to:

1 Principles

- explain the impact of accounting principles and bases on measurement in corporate reporting, for example fair value measurement;
- appraise corporate reporting regulations, and related legal requirements, with respect to presentation, disclosure, recognition and measurement;
- explain and appraise accounting standards that relate to the impact of changes in accounting policies and estimates;
- explain and evaluate the impact of underlying assumptions on financial statements; and
- identify and explain current and emerging issues in corporate reporting.

2 Reporting performance

- explain how different methods of recognising and measuring assets and liabilities can affect reported financial performance;
- explain and appraise accounting standards that relate to reporting performance: in respect of presentation of financial statements; revenue; operating segments; continuing and discontinued operations; EPS; construction contracts; interim reporting;

- c. select and evaluate accounting and reporting policies for single entities and groups of varying sizes and in a variety of industries; and
- d. calculate and disclose, from financial and other data, the amounts to be included in an entity's financial statements according to legal requirements, applicable financial reporting standards and accounting and reporting policies.

3 Assets and non-financial liabilities

- a. explain how different methods of recognising and measuring assets and liabilities can affect reported financial position; and
- b. explain and appraise accounting standards that relate to assets and non-financial liabilities for example: property, plant and equipment; intangible assets, held-for-sales assets; inventories; investment properties; provisions and contingencies.

4 Financing

- a. determine and calculate how different bases for recognising, measuring and classifying financial assets and financial liabilities can impact upon reported performance and position;
- b. appraise and evaluate cash flow measures and disclosures in single entities and groups;
- c. evaluate the impact of accounting policies and choice in respect of financing decisions for example hedge accounting and fair values; and
- d. explain and appraise accounting standards that relate to an entity's financing activities which include: financial instruments; leasing; cash flows; borrowing costs; and government grants.

5 Employee remuneration

- a. explain how different methods of providing remuneration for employees may impact upon reported performance and position; and
- b. explain and appraise accounting standards that relate to employee remuneration which include different forms of short-term and long-term employee compensation; retirement benefits; and share-based payment.

6 Groups

- a. identify and show the criteria used to determine whether and how different types of investment are recognised and measured as business combinations; and
- b. calculate and disclose, from financial and other data, the amounts to be included in an entity's consolidated financial statements in respect of its new, continuing and discontinued interests (which include situations when acquisitions occur in stages and in partial disposals) in subsidiaries, associates and joint ventures.

7 Reporting overseas activities

- a. determine and calculate how exchange rate variations are recognised and measured and how they can impact on reported performance, position and cash flows of single entities and groups; and
- b. demonstrate, explain and appraise how foreign exchange transactions are measured and how the financial statements of overseas entities are translated.

8 Taxation

- a. explain, determine and calculate how current and deferred tax is recognised and appraise accounting standards that relate to current tax and deferred tax.

Corporate Reporting –Financial Statement Analysis: L03, L04

Candidates will be able to analyse, interpret, evaluate and compare financial statements of entities both over time and across a range of industries.

In the assessment, candidates may be required to:

9 Financial statement analysis

- a. comment on and critically appraise the nature and validity of items included in published financial statements;
- b. comment on and critically appraise the nature and validity of information disclosed in annual reports, including voluntary disclosures;
- c. appraise the limitations of financial analysis;
- d. analyse and evaluate the performance, position, liquidity, efficiency and solvency of an entity through the use of ratios and similar forms of analysis;
- e. interpret the potentially complex economic environment in which an entity operates and its strategy based upon financial and operational information contained within the annual report (for example: financial and business reviews, reports on operations by management, corporate governance disclosures, financial summaries and highlights);
- f. appraise the significance of inconsistencies and omissions in reported information in evaluating performance;
- g. compare the performance and position of different entities allowing for inconsistencies in the recognition and measurement criteria in the financial statement information provided;
- h. make adjustments to reported earnings in order to determine underlying earnings and compare the performance of an entity over time;
- i. analyse and evaluate business risks and assess their implications for corporate reporting;
- j. analyse and evaluate financial risks (for example financing, currency and interest rate risks) and assess their implications for corporate reporting; and
- k. compare and appraise the significance of accruals basis and cash flow reporting.

Audit and Assurance: L05

Students will be able to explain the processes involved in planning an audit, evaluating internal controls, appraising risk, gathering evidence and drawing conclusions in accordance with the terms of the engagement. In addition, they will be able to perform a range of assurance engagements and related tasks.

In the assessment, students may be required to:

10 Professional practice

- a. appraise and explain the role and context of auditing;
- b. explain the nature and purpose of quality assurance (both at the level of the firm and the individual audit) and assess how it can contribute to risk management; and
- c. evaluate and explain current and emerging issues in auditing.

11 Planning

- a. identify the components of risk and how these components may interrelate;
- b. appraise the entity and the, potentially complex, economic environment within which it operates as a means of identifying and evaluating the risk of material misstatement;
- c. identify the risks arising from, or affecting, a potentially complex set of business processes and circumstances and assess their implications for the engagement;
- d. identify significant business risks and assess their potential impact upon the financial statements and the audit engagement;
- e. evaluate the impact of risk and materiality in preparing the audit plan, for example the nature, timing and extent of audit procedures;
- f. determine analytical procedures, where appropriate, at the planning stage using technical knowledge of corporate reporting and skills of financial statement analysis;
- g. evaluate the components of audit risk for a specified scenario, for example the interactions of inherent risk, control risk and detection risk, considering their complementary and compensatory nature;
- h. show professional skepticism in assessing the risk of material misstatement, having regard to the reliability of management;
- i. evaluate, where appropriate, the extent to which reliance can be placed on expertise from other parties to support audit processes; and
- j. prepare, based upon planning procedures, an appropriate audit strategy and detailed audit plan or extracts therefrom.

12 Internal control systems

- a. analyse and evaluate the control environment for an entity based on an understanding of the entity, its operations and its processes;
- b. evaluate an entity's processes for identifying, assessing and responding to business and operating risks as they impact on the financial statements;
- c. appraise an entity's accounting information systems and related business processes relevant to corporate reporting and communication;
- d. analyse and evaluate strengths and weaknesses of preventative and detective control mechanisms and processes, highlighting control weaknesses; including risks related to cyber security
- e. evaluate controls relating to information technology and e-commerce, including controls associated with cyber security;
- f. explain and appraise the entity's system for monitoring and modifying internal control systems; and
- g. devise, explain and evaluate tests of controls.

13 Corporate governance

- a. describe and explain the nature and consequences of corporate governance and accountability mechanisms in controlling the operating and financial activities of entities of differing sizes, structures and industries;
- b. explain the rights and responsibilities of the board, board committees (eg., audit and risk committees), those charged with governance and individual executive and non-executive directors, with respect to the preparation and audit of financial statements;

- c. describe and explain the rights and responsibilities of stakeholder groups (eg, executive management, bondholders, government, securities exchanges, employees, public interest groups, financial and other regulators, institutional and individual shareholders) with respect to the preparation and audit of financial statements;
- d. evaluate and appraise appropriate corporate governance mechanisms;
- e. explain and evaluate the nature and consequence of relevant corporate governance codes and set out the required compliance disclosures;
- f. explain the OECD principles of corporate governance;
- g. explain the respective responsibilities of those charged with governance and auditors for corporate risk management and risk reporting;
- h. explain the respective responsibilities of those charged with governance and auditors in respect of internal control systems;
- i. explain and evaluate the role and requirement for effective two-way communication between those charged with governance and auditors; and
- j. describe and explain the roles and purposes of meetings of boards and of shareholders.

14 Audit evidence

- a. explain and evaluate the relationship between audit risk and audit evidence;
- b. determine audit objectives for each financial statement assertion;
- c. determine for a particular scenario what comprises sufficient, appropriate audit evidence;
- d. design and determine audit procedures in a range of circumstances and scenarios, for example identifying an appropriate mix of tests of controls, analytical procedures and tests of details;
- e. demonstrate how professional scepticism may be applied to the process of gathering audit evidence and evaluating its reliability;
- f. demonstrate and explain, in the application of audit procedures, how relevant ISAs affect audit risk and the evaluation of audit evidence;
- g. evaluate, applying professional judgement, whether the quantity and quality of evidence gathered from various audit procedures is sufficient to draw reasonable conclusions;
- h. prepare appropriate audit documentation; and
- i. recognise issues arising whilst gathering assurance evidence that should be referred to a senior colleague.

15 Reporting and concluding

- a. review the appropriateness of the going concern assumption;
- b. review events after the reporting period;
- c. review and evaluate, quantitatively and qualitatively, for example using analytical procedures, the results and conclusions obtained from audit procedures;
- d. draw conclusions on the nature of the report on an audit engagement, and formulate an opinion for a statutory audit, which are consistent with the results of the audit evidence gathered; and
- e. draft suitable extracts for reports (for example any report to the management or those charged with governance issued as part of the engagement).

16 Assurance engagements

- a. explain the nature of a range of different assurance engagements;
- b. evaluate the evidence necessary to report at the appropriate level of assurance;
- c. evaluate risk in relation to the nature of the assurance engagement and the entity or process for a given scenario; and
- d. design and determine procedures necessary to attain the relevant assurance objectives in a potentially complex scenario.

17 Other engagements

- a. evaluate the role of internal audit and design appropriate procedures to achieve the planned objectives;
- b. appraise and explain the nature and purposes of forensic audit and prepare and plan procedures required to achieve a range of differing objectives;
- c. explain the roles and responsibilities that auditors may have with respect to a variety of different types of information and design procedures sufficient to achieve agreed objectives; and
- d. explain the nature and purposes of due diligence procedures (for example: financial, commercial, operational, legal, tax, human resources) and plan procedures required to achieve a range of differing financial objectives.

Audit and Corporate Reporting – integrated learning outcomes

Students will be able to evaluate corporate reporting policies, estimates and disclosures in a scenario in order to be able to assess whether they are in compliance with accounting standards and are appropriate in the context of audit objectives.

In the assessment, students may be required to:

18 Integrated learning outcomes

- a. identify and explain corporate reporting and assurance issues in respect of social responsibility, sustainability and environmental matters for a range of stakeholders;
- b. critically evaluate accounting policies choices and estimates, identifying issues of earnings manipulation and creative accounting; and
- c. critically appraise corporate reporting policies, estimates and measurements for single entities and groups in the context of an audit.

Ethics : LO6, LO7

Students will be able to identify and explain ethical issues. Where ethical dilemmas arise, they will be able to recommend, justify and determine appropriate actions and ethical safeguards to mitigate threats. In the assessment, students may be required, in the context of corporate reporting and auditing, to:

19 Ethics

- a. identify and explain ethical issues in reporting, assurance and business scenarios;
- b. explain the relevance, importance and consequences of ethical issues;
- c. evaluate the impact of ethics on a reporting entity, relating to the actions of stakeholders;
- d. recommend and justify appropriate actions where ethical issues arise in a given scenario; and
- e. design and evaluate appropriate safeguards to mitigate threats and provide resolutions to ethical problems.

Strategic Business Management – 100 Marks

Module aim

To enable students to demonstrate quantitative and qualitative skills, in order to make realistic business recommendations in complex scenarios. Business awareness will need to be demonstrated at strategic, operating and transactional levels.

To achieve this aim, students will be required to use technical knowledge and professional judgement to apply appropriate models and to analyse data from multiple sources, including corporate reports, in order to evaluate alternatives and determine appropriate solutions.

On completion of this module, in a national or global context, and for a range of different business structures and industry scenarios, students will be able to:

- Analyse and identify the external environment and internal strategic capability of an entity; evaluate the consequences of strategic choices; recommend strategies to achieve stakeholder objectives, recommend appropriate methods of implementing strategies and monitoring strategic performance; manage business risks; and advise on corporate governance.
- Identify and advise upon appropriate finance requirements; evaluate financial risks facing a business and advise upon appropriate methods of managing those risks; provide valuations for businesses and securities; and advise upon investment and distribution decisions.
- Identify and explain ethical issues. Where ethical dilemmas arise, students will be able to recommend and justify and determine appropriate actions and ethical safeguards to mitigate threats.
- Interpret and apply corporate reporting information in evaluating business and financial performance; recognise and explain the corporate reporting consequences of business and financial decisions; apply corporate reporting information in appropriate models to determine asset, equity and entity valuations, demonstrating an understanding of the usefulness and limitations of accounting information in this context.
- Appraise and explain the role of assurance in raising new equity and debt funding and in the subsequent monitoring of such funding arrangements; understand, explain and evaluate the role of assurance in selecting and implementing key business decisions including acquisitions and strategic alliances; understand and explain the role of assurance in financial and business risk management.

Prior knowledge

This module assumes and develops the knowledge and skills acquired in the Financial Accounting and Reporting module, the Business Strategy module and the Financial Management module.

Background knowledge based upon the strategic elements of the Business Planning: Taxation and the Audit and Assurance module will also be required in evaluating the business and financial risks of reporting entities.

Ethics

Ethical codes will be those issued by IFAC and the ICAB. The ethical implications will be at both the organizational level and for individuals, particularly with respect to the accountant in business.

Method of assessment

The Strategic Business Management module will be examined using a paper-based assessment of 3.0 hours. Each exam will contain questions requiring integration of knowledge and skills, including ethics. Ethical issues and problems could appear in either question.

Specification grid

The grid below shows the relative weightings of subjects within this module and should guide the study time spent on each. Over time the marks available in the assessment will be within the ranges of weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

Syllabus area	Weighting (indicative %)
Business Strategy and Management	30-40
Financial Strategy	25-35
Financial Structure and Financial Reconstruction	
Financial Instruments and Financial Markets	
Corporate Reporting	15-20
Assurance	10
Ethics	5-10

Business contexts

The learning outcomes may all be assessed within an integrated business scenario.

The following are examples of possible scenarios:

- developing management information strategies
- developing management and corporate governance mechanisms
- business and financial risk management
- business start-up planning
- business and security valuations
- developing policies for sustainability and corporate responsibility
- raising, structuring and restructuring of finance
- resource management issues
- developing performance management strategies
- developing remuneration and reward packages
- reorganization and restructuring of entities, and the management of change
- financial distress and business recovery
- developing global financial and business strategies and operations
- developing global divisional and transfer pricing strategies for tax and performance management
- appraisal methods for businesses undertaking major projects and/or organizational or process transformation
- issues arising from use of complex financial instruments in business finance in the context of risk and treasury management
- ethical issues arising in business and finance.

Integrated learning outcomes

Business Strategy and Management

Students will be able to analyse and identify the external environment and internal strategic capability of an entity; evaluate the consequences of strategic choices; recommend strategies to achieve stakeholder objectives, recommend appropriate methods of implementing strategies and monitoring strategic performance; manage business risks; and advise on corporate governance. Students will also be able to apply corporate reporting and assurance principles and practices in the context of key business decisions and events.

In the assessment, students may be required to:

1 Strategic analysis

- a. describe and explain the strategic objectives of an entity considering the interests of stakeholders
- b. analyse and evaluate, for a given scenario, the external economic, market and industry environment which may impact upon a business's performance and position
- c. identify and evaluate the significance of the internal factors in a given scenario which may influence an entity's ability to achieve its chosen strategic objectives
- d. analyse and evaluate an entity's current position and performance, from both a financial perspective and a non-financial perspective, using a variety of internal and external information sources
- e. demonstrate how strategic analysis tools can be used in a complex scenario
- f. demonstrate how business strategy and financial strategy can interrelate in a complex scenario
- g. evaluate and advise upon the strategic capability of an entity
- h. evaluate strategy at corporate, business unit and operational levels.

2 Strategic choice

- a. assess, advise on and propose appropriate business strategies to meet stated objectives
- b. identify and evaluate business unit strategies to achieve sustainable competitive advantage
- c. explain and demonstrate how financial and non-financial data can be analysed in order to select an optimal business strategy
- d. explain and demonstrate how strategic business models can be used in a given scenario, to identify factors that a business can consider in choosing between competing strategies
- e. explain international strategies; appraise international value chains and markets; including the concepts of globalisation and the borderless business; and show the impact on individual and group financial statements in accordance with IAS 21, The Effects of Changes in Foreign Exchange Rates.

3 Strategic implementation

- a. demonstrate and explain the impact of acquisitions and strategic alliances in implementing corporate strategy and evaluate the nature and role of assurance procedures in selecting and monitoring such strategies
- b. evaluate and explain the relationship between business strategy and organizational structure
- c. explain and evaluate the nature and methods of change management and advise on the implementation of change in complex scenarios
- d. demonstrate and explain the techniques that may be used in implementing a strategy to reduce costs, for example supply chain management, business process re-engineering and outsourcing
- e. evaluate, in a given scenario, the functional strategies necessary to achieve a business's overall strategy
- f. develop business plans and proposals and advise on technical issues relating to business and organizational plans, assessing the impact on historic and projected corporate reporting information.

4 Strategic performance management

- a. advise on, and develop, appropriate performance management approaches for businesses and business units
- b. explain and demonstrate how a business can analyse complex data from multiple sources to provide strategic management accounting information to implement, monitor and modify a strategy at an appropriate organizational level in order to create competitive advantage
- c. use financial and non-financial performance data from a variety of sources, including integrated reporting disclosures, to measure multiple aspects of performance at a variety of organizational levels
- d. advise on, and develop, appropriate remuneration and reward packages for staff and executives linked to performance, considering agency relationship issues; and evaluate the impact on corporate reports arising from IAS 19, Employee Benefits, and IFRS 2, Share-based Payment
- e. develop measures to evaluate performance in the context of social responsibility, sustainability and environmental matters.

5 Strategic marketing and brand management

- a. assess strategic marketing issues and demonstrate the application of marketing techniques in complex scenarios
- b. evaluate and analyse markets and the marketing environment and develop a marketing strategy consistent with the overall business strategy
- c. explain, using information provided, how to position particular products and services in the market place (domestic or international) to maximise competitive advantage, and assess the impact on revenue recognition and profit in accordance with IFRS 15, Revenue from Contracts with Customers
- d. demonstrate, across a range of industries, how elements of the marketing mix can be used to promote competitive advantage
- e. develop and explain marketing strategies using databases and information technology applications such as social media and other internet sources
- f. develop and explain the strategies for managing and sustaining existing brands
- g. prepare marketing strategies and show how they can be used to develop brands
- h. demonstrate how appraisal techniques can be used for valuing brands, patents, R&D projects and intellectual property and evaluate relevant corporate reporting recognition and measurement implications according to IAS 38, Intangible Assets.

6 Business risk management

- a. analyse and evaluate the key types of business risks and assess their implications within a given scenario, for business strategy and corporate reporting disclosures
- b. advise on the risks involved in business and organizational plans and show how these risks can be managed by assurance procedures and other forms of risk mitigation
- c. explain the responsibility of those charged with governance for managing risk and assess the role of assurance in risk mitigation
- d. assess the impact of risk on a variety of stakeholders
- e. explain and assess the various steps involved in constructing a business risk management plan, by establishing context, identifying risks and the assessment and quantification of risk
- f. evaluate and explain the limitations of business risk management

- g. assess and explain enterprise risk management, evaluating its framework and its benefits
- h. using data provided, analyse quantitatively, business risks under a range of complex scenarios.

7 Corporate governance

- a. assess the nature of governance and the explain the characteristics and principles of good governance in a variety of scenarios
- b. assess the interests and impact of organizational stakeholders in determining strategy and the consequences for stakeholders of strategic choices
- c. evaluate the impact of governance mechanisms on a range of stakeholders
- d. assess and advise on appropriate corporate governance mechanisms, and evaluate stakeholder management
- e. analyse and evaluate the strengths and weaknesses of corporate governance mechanisms and processes
- f. explain the role of boards in determining and evaluating an entity's policy for social responsibility, sustainability and environmental matters and advise on corporate reporting disclosures relating to these policies
- g. evaluate the suitability of corporate governance and organizational structures for implementing strategy
- h. explain the role of boards in monitoring corporate performance and risk, and assess the role of assurance procedures in this context
- i. explain the nature, and assess the consequences, of the legal framework within which businesses, assurance and governance systems operate (with particular reference to company law, fraud, money laundering, civil liabilities, social security law, employment law, contract law, tort and environmental law).

8 Data analysis

- a. undertake appropriate data analysis, business analysis and financial statement analysis
- b. explain financial and operational data and other management information, drawing inferences relating to its completeness, accuracy and credibility, as a basis for a meaningful analysis of the position, future prospects and risks for a business
- c. demonstrate how suitable financial, strategic and operational analysis techniques can be used to analyse financial and operational data and to evaluate business position, prospects and risks, including the analysis and benefits of 'Big Data'.
- d. communicate an explanation (stating any reservations regarding transparency and objectivity of data and information) of the position, prospects and risks of a business, based on analysis of financial and operational data and information, and assess the extent to which limited assurance and reasonable assurance engagements can identify and mitigate information risks in this context.

9 Information strategy

- a. outline proposals and advise on outline requirements for information technology applications to support business strategy, for example in the context of e-commerce, e-business and virtual arrangements
- b. use management accounting information (for example, costs, prices, budgets, transfer prices) and management accounting tools (for example, break-even, variances, limiting factors, expected values, ABC, balanced scorecard) to evaluate short and long term aspects of strategy
- c. explain and appraise how management information systems can provide relevant data to analyse markets, industry and performance, including the capture and analysis of big data

- d. demonstrate and explain methods for determining the value of information in the context of developing an information strategy
- e. assess financial and operational data and information from management information systems, drawing inferences relating to its completeness, accuracy and credibility, and provide an evaluation of assurance procedures in evaluating information risks, including those relating to cyber security
- f. demonstrate and explain how businesses capture, analyse and utilise information to develop competitive advantage.

10 Human resource management

- a. assess, explain and advise on the role of human resource management in implementing strategy
- b. demonstrate and explain how human resource management can contribute to business strategy
- c. identify the impact of remuneration structures on organizational behaviour and other aspects of human resource management, and show the corporate reporting consequences
- d. demonstrate and explain the role and impact of human resource management in change management.

Financial Strategy

Students will be able to identify and advise upon appropriate finance requirements; evaluate financial risks facing a business and advise upon appropriate methods of managing those risks; provide valuations for businesses and securities; and advise upon investment and distribution decisions. Students will also be able to apply corporate reporting and assurance principles and practices in the context of key financing decisions and events.

In the assessment, students may be required to:

11 Finance awareness

- a. demonstrate and explain the financing alternatives available for projects and assets, and make informed choices as to which alternative is the most compatible with the overall financial strategy of the entity, showing the corporate reporting consequences relating to presentation, disclosure, recognition and measurement of projects and their financing
- b. assess and explain current and emerging issues in finance
- c. identify social responsibility, sustainability and environmental factors for a range of financial stakeholders, and assess assurance and corporate reporting issues relating to such factors
- d. explain how financial crises, which have occurred in the past over a long time period, may impact on approaches and attitudes to financial risk and may inform corporate reporting practice.

12 Business and securities valuation

- a. explain, advise on and demonstrate appropriate valuation methods for businesses and equity securities using: asset-based; adjusted earnings-based; and cash-based methods (for example SVA, EVAR, VBM, MVA and other appropriate techniques)
- b. critically appraise business and securities valuation methods in the context of specified complex scenarios
- c. explain and demonstrate appropriate valuation techniques in the context of acquisitions and mergers; assess the contribution of due diligence procedures; and show the impact on corporate reporting issues from IFRS 3, Business Combinations, and IFRS 10, Consolidated Financial Statements

- d. explain and demonstrate appropriate valuation techniques in the context of demergers and for disposal of entities and business units, and show the impact on corporate reporting issues from IFRS5, Non-current Assets Held for Sale and Discontinued Operations
- e. determine the value of debt and explain the techniques used.

Financial Structure and Financial Reconstruction

13 Capital structure

- a. appraise and evaluate the sources of finance and the process for raising finance
- b. advise on and develop proposals for determining the appropriate financing mix for new businesses and projects
- c. explain and advise on issues relating to the cost of capital
- d. show and explain how dividend policy impacts upon equity value and upon financing and investment decisions
- e. appraise and explain how the choice of financing impacts on reported corporate performance, and on the recognition and measurement of financial assets and financial liabilities.

14 Financial reconstruction

- a. show and explain how financial reconstruction takes place and explain the consequences of such reconstructions for corporate reporting
- b. appraise and evaluate financial reconstruction proposals in a given scenario, and determine the nature and role of assurance procedures in this context
- c. explain the different reasons for refinancing, and demonstrate how companies in financial distress can be managed, having regard to insolvency law
- d. explain and appraise the workings of, and reasons for, securitisation, showing the impact on financial statement information
- e. explain and appraise the nature and consequences of leveraged buy outs
- f. appraise and evaluate various forms of reconstruction (for example, spin-off, MBO, divestment, demergers, purchase of own shares, use of distributable profits), explaining the corporate reporting impact.

15 Small and medium company financing

- a. appraise and explain the small and medium-sized enterprise financing problem
- b. appraise and evaluate the various methods of financing available to small and medium-sized enterprises, and explain the nature and role of assurance for small and medium-sized companies in raising such finance
- c. assess and explain the characteristics of sources of equity for smaller companies and the financial institutions operating in these markets (for example, venture capital and private equity).

Financial Instruments and Financial Markets

16 Equity instruments

- a. assess and explain the types of equity securities, and evaluate the implications for disclosure, presentation, recognition and measurement in financial statements

- b. appraise and explain the characteristics of equity markets and the financial institutions operating in these markets
- c. analyse and evaluate the cost of equity, portfolio theory and the use of appropriate asset pricing models, applying principles of financial economics.

17 Fixed interest

- a. explain the types of fixed interest securities and evaluate the implications for disclosure, presentation, recognition and measurement in financial statements
- b. appraise and explain the characteristics of bond markets and the financial institutions operating in these markets
- c. appraise and evaluate the use of bonds/loans as a method of finance, and explain the implications of terms included in loan agreements in a given scenario (for example, covenants and guarantees) and the explain the procedures by which monitoring and assurance can be provided in respect of such agreements
- d. explain and appraise bond valuation techniques and assess flat and gross redemption yields
- e. explain and appraise yield curves, sensitivity to yield and components of the yield
- f. evaluate and explain interest rate risk
- g. appraise and evaluate credit risk and credit spread.

18 Derivatives

- a. explain the types of derivative securities and evaluate the implications for disclosure, presentation, recognition and measurement in financial statements
- b. assess and explain the characteristics of derivative markets and the financial institutions operating in these markets
- c. appraise and evaluate the characteristics of forwards, futures, options, swaps, credit derivatives.

19 Financial risk management

- a. analyse and evaluate financial risks and their implications (for example financing, currency and interest rate risks) and show the application of qualitative and quantitative risk disclosures according to IFRS 7, Financial Instruments: Disclosure, and other corporate reporting disclosures relevant to risk assessment
- b. appraise and advise on appropriate methods to assess and manage financial risk in specific business scenarios
- c. explain and appraise financial instruments available for hedging against interest rate and foreign exchange rate risk, for example, swaps, collars and floors
- d. demonstrate and explain the nature and operation of financial instruments underlying the disclosure, recognition and measurement requirements of IAS 32, IAS 39, IFRS 7 and IFRS 9
- e. demonstrate and explain how interest rate hedging strategies and foreign currency risk management strategies can be formulated, both at the level of the individual transaction and for macro hedging arrangements.

20 International financial management

- a. explain and appraise the various methods of financing available for overseas investments and evaluate the implications for disclosure, presentation, recognition and measurement in financial statements in accordance with IAS 21, The Effects of Changes in Foreign Exchange Rates
- b. appraise and explain global treasury organization and international liquidity management
- c. appraise and evaluate the factors affecting the capital structure of a multinational company
- d. explain and appraise the advantages and risks associated with international borrowing
- e. demonstrate and explain the risks associated with international trade and the ways in which these risks can be managed, and assess the nature and role of assurance procedures in mitigating risk and the financial reporting consequences of currency hedging
- f. appraise and evaluate the different methods open to multinationals wishing to set up overseas operations and the choices of finance available, identifying tax and corporate reporting consequences
- g. assess and explain the impact of exchange controls and how companies can overcome the effects of these controls
- h. appraise and evaluate the management of dividends in multinational organizations
- i. appraise and evaluate the management of transfer prices in multinational organizations and the implications for reported profit and tax.

21 Investment appraisals

- a. select and advise on investment appraisal techniques which are appropriate to the objectives and circumstances of a given business
- b. appraise and advise on appropriate measures of return and risk for assessing business projects
- c. demonstrate and evaluate investment appraisal techniques for international projects, identifying the impact of tax and the effects on corporate reporting
- d. explain and appraise real options and determine the impact of options to abandon, expand, delay and redeploy
- e. appraise and evaluate the quantitative and qualitative issues surrounding international investment appraisal
- f. evaluate the impact of externalities when making investment appraisal decisions
- g. identify social responsibility, sustainability and environmental consequences of investment decisions, explaining corporate reporting issues in relation to such policies.

22 Treasury and working capital management

- a. demonstrate and explain the role and responsibilities of the treasury management function
- b. demonstrate and explain the role of treasury management in short-term finance, short-term investment and liquidity risk
- c. appraise and evaluate the contribution of working capital management to short term and long term financing
- d. evaluate the risks arising from working capital management and how these may be mitigated
- e. evaluate and explain working capital requirements for a range of different organisations and circumstances
- f. demonstrate and explain the nature and role of working capital management within financial management
- g. appraise, evaluate and advise with respect to working capital management techniques.

Ethics

Students will be able to identify and explain ethical issues. Where ethical dilemmas arise, students will be able to recommend, justify and determine appropriate actions and ethical safeguards to mitigate threats.

23 Ethics

In the assessment, students may be required to:

- a. recognise and explain ethical issues
- b. explain the relevance, importance and consequences of ethical issues
- c. evaluate the impact of ethics on an entity, its stakeholders and the scope of its strategies and operations
- d. recommend and justify appropriate actions where ethical dilemmas arise in a given scenario
- e. design and evaluate appropriate ethical safeguards.

Case Study – 100 Marks

Overview

The objective of the Case Study is to assess understanding of the relevance of different technical areas and the recognition of ethical issues within complex business issues and the ability to analyse financial and non-financial data. The limited class time available with a tutor, even when supplemented by extensive home study, is insufficient for success in the Case Study. Students must bring work experience into their preparation and development programme.

Success at the Case Study requires use of the technical knowledge and skills acquired from all of the CA modules, namely:

- the core technical knowledge and skills and practical application acquired at the Certificate and Professional Levels;
- the technical, analytical, and evaluative skills from the Advanced Level technical modules; and
- the advisory, judgemental and communication skills acquired through practical work experience undertaken during training.

All areas of the syllabus may be tested over time.

Professional skills required for the case study

Cognitive, analytical and evaluative skills

1. Identification of business, technical and ethical issues
2. Application of technical knowledge to identified issues
3. Understanding of scenario and wider business issues
4. Understanding of the relevance of data and information
5. Selection of appropriate analytical tools
6. Analysis of requirements, situation and data
7. Conclusions based on evidence, implications, assumptions and information generated

Communication and articulation skills

1. Structure in presentation of data and written work
2. Integration and positioning of data within and alongside written work
3. Tact in presentation
4. Objectivity in presentation
5. Format and language

Case study scenarios

The Case Study will be designed to resemble a typical situation in which chartered accountants find themselves. The Case Study scenario may be based on any one of a variety of different organisational structures or operations and will be presented in individual, group and international contexts. Examples of possible scenarios are listed below in order to provide an understanding of the likely context in which technical knowledge and ethical awareness will be assessed.

Scenarios relating to things that have happened or are happening within a business:

1. Business and ethical issues including situations of business risk in the process of stakeholder communication
2. Business and ethical issues in the process of tax compliance work including situations with corporate reporting implications
3. Current taxation and corporate reporting issues for businesses
4. Undertaking controls and systems process assurance projects – including review and testing of controls and reporting to management
5. Assessment of controls including IT and E-commerce controls
6. Breaches of laws and regulations that may require forensic accounting and investigation projects to assess risk and provide management with information to decide upon appropriate actions
7. Issues of earnings management, creative accounting and aggressive earnings management
8. Businesses undertaking major projects and/or organisational or process transformation
9. Issues arising from raising finance, including issues of compilation of financial information, production of prospective financial information and implications for corporate reporting
10. Issues arising from corporate transformations and group reorganisations
11. Issues arising from international corporate expansion including situations with taxation and corporate reporting implications
12. Issues arising from use of complex financial instruments in business finance and risk management.

Scenarios relating to future business strategies and developments:

1. Controls and systems process planning
2. Developing management and corporate governance mechanisms
3. Business risk management
4. Developing business and information strategies including E-commerce and E-business
5. Transfer pricing decisions
6. Business start-up planning
7. Business and asset valuations upon acquisitions and disposals for business and tax purposes
8. Due diligence investigations of information provided to investors
9. Raising finance
 - Initial public offers
 - Private equity arrangements
10. Developing performance management approaches
11. Developing remuneration and reward packages
12. Structuring of entities
 - Incorporation
 - Group re-organisation
 - Outsourcing
 - Joint ventures and alliances
 - Acquisitions and mergers

- Demergers
- Franchising
- Divestment
- Management buy-out
- Management buy-in

13. Business recovery

14. Insolvency and bankruptcy

15. Developing international operations

16. Structuring of business finance

TECHNICAL KNOWLEDGE GRIDS

The tables contained in this section show the technical knowledge in the disciplines of financial reporting, audit and assurance, business analysis, ethics and taxation covered in the ACA syllabus by module.

For each individual standard the level of knowledge required in the relevant Certificate and Professional Level module and at the Advanced Level is shown.

The knowledge levels are defined as follows:

Level D

An awareness of the scope of the standard.

Level C

A general knowledge with a basic understanding of the subject matter and training in its application thereof sufficient to identify significant issues and evaluate their potential implications or impact.

Level B

A working knowledge with a broad understanding of the subject matter and a level of experience in the application thereof sufficient to apply the subject matter in straightforward circumstances.

Level A

A thorough knowledge with a solid understanding of the subject matter and experience in the application thereof sufficient to exercise reasonable professional judgement in the application of the subject matter in those circumstances generally encountered by chartered accountants.

Key to other symbols:

→ the Certificate level reached is assumed to be continued

ASSURANCE AND AUDIT TECHNICAL GRID

Topic	Assurance	Audit and Assurance	Advanced Level
The International Auditing and Assurance Standards Board		D	C
The Authority Attaching to Standards Issued by the International Auditing and Assurance Standards Board		C	A
The Authority Attaching to Practice Statements Issued by the International Auditing and Assurance Standards Board			A
Discussion Papers			C
Working Procedures			C
International Standards on Auditing (ISAs)			
200 (Revised June 2016) Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing	B	A	→
210 (Revised June 2016) Agreeing the Terms of Audit Engagements		B	→
220 (Revised June 2016) Quality Control for an Audit of Financial Statements		B	→
230 (Revised June 2016) Audit Documentation	C	B	A
240 (Revised June 2016) The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements	C	B	A
250 A (Revised June 2016) Consideration of Laws and Regulations in an Audit of Financial Statements		B	A
250 B (Revised June 2016) The Auditor's Statutory Right and Duty to Report to Regulators of Public Interest Entities and Regulators of other Entities in the Financial Sector			C
260 (Revised June 2016) Communication with Those Charged with Governance		B	A
265 Communicating Deficiencies in Internal Control to Those Charged with Governance and Management		B	A
300 (Revised June 2016) Planning an Audit of Financial Statements	B	A	→
315 (Revised June 2016) Identifying and Assessing the Risks of Material Misstatement Through Understanding the Entity and its Environment	C	A	→
320 (Revised June 2016) Materiality in Planning and Performing an Audit	C	A	→
330 (Revised June 2016) The Auditor's Responses to Assessed Risks	C	B	A
402 Audit Considerations Relating to an Entity Using a Service Organisation		C	B
450 (Revised June 2016) Evaluation of Misstatements Identified during the Audit	C	A	
500 Audit Evidence	B	A	→

Topic	Assurance	Audit and Assurance	Advanced Level
501 Audit Evidence - Specific Considerations for Selected Items		B	A
505 External Confirmations	B	B	A
510 (Revised June 2016) Initial Audit Engagements - Opening Balances	C	B	A
520 Analytical Procedures	B	A	A
530 Audit Sampling	B	B	A
540 (Revised June 2016) Auditing Accounting Estimates, Including Fair Value Accounting Estimates and Related Disclosures	C	B	A
550 Related Parties	C	B	A
560 Subsequent Events		B	A
570 (Revised June 2016) Going Concern		A	→
580 Written Representations	C	B	A
600 (Revised June 2016) Special Considerations – Audits of Group Financial Statements (including the Work of Component Auditors)		C	A
610 (Revised June 2013) Using the Work of Internal Auditors	C	B	A
620 (Revised June 2016) Using the Work of an Auditor’s Expert		B	A
700 (Revised June 2016) Forming an opinion and Reporting on Financial Statements	B	A	→
701 (Revised June 2016) Communicating Key Audit Matters in the Independent Auditor’s Report			A
705 (Revised June 2016) Modifications to the Opinion in the Independent Auditor’s Report		A	→
706 (Revised June 2016) Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor’s Report		A	→
710 Comparative Information – Corresponding Figures and Comparative Financial Statements		B	A
720 (Revised June 2016) The Auditor’s Responsibility Relating to Other Information		B	A
800 (Revised October 2016) Special Considerations – Audits of Financial Statements prepared in Accordance with Special Purpose Frameworks			B
805 (Revised October 2016) Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or items of a Financial Statement			A
810 (Revised) Engagements to Report on Summary Financial Statements			A
International Auditing Practice Note (IAPN)			
1000 Special Considerations in Auditing Financial Instruments			B
International Standards on Review Engagements (ISREs)			
2400 (Revised September 2012) Engagements to Review Financial Statements		C	B
2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity	C		B

Topic	Assurance	Audit and Assurance	Advanced Level
International Standards on Assurance Engagements (ISAEs)			
3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information		C	B
3400 The Examination of Prospective Financial Information		C	A
3402 Assurance Reports on Controls at a Service Organisation		C	A
3410 Assurance Engagements on Greenhouse Gas Statements		C	→
International Standards on Related Services (ISRSs)			
4400 Engagements to Perform Agreed-upon Procedures Regarding Financial Information			B
4410 Compilation Engagements (Revised March 2012)			B
Quality Control Statement			
ISQC1 (Revised June 2016) Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements		C	B

BUSINESS ANALYSIS TECHNICAL GRID

Topic	Certificate and Professional Levels				Advanced Level
	Management Information	Business and Finance	Financial Management	Business strategy	
STRATEGIC ANALYSIS					
Environmental and market analysis tools					
PESTEL analysis		C		A	→
Porter's five forces		C		A	→
Product life cycle		C		A	→
Boston consulting group matrix		C		A	→
Prices and markets		C		A	→
Competitor analysis		C		A	→
Positional and other analysis tools					
Resource audit		C		A	→

Topic	Certificate and Professional Levels				Advanced Level
	Management Information	Business and Finance	Financial Management	Business strategy	
Resource-based strategy		C		A	→
Value chain analysis		C		A	→
SWOT analysis		C		A	→
Gap analysis		C		A	→
Marketing analysis		C		A	→
Competitive advantage		C		A	→
Benchmarking		C		A	→
Directional policy matrix					B
Business process analysis				B	A
Strategic risk analysis				A	→
Balanced scorecard		C		A	→
STRATEGIC CHOICE					
Strategy formulation, evaluation and choice		C		A	→
Business risk management		C		A	→
Financial analysis and data analysis				A	→
Stakeholder analysis		C		A	→
Objectives and stakeholders' preferences		C		A	→
Corporate responsibility and sustainability		C		B	A
STRATEGIC IMPLEMENTATION					
Business plans		C		A	→
Organisational structure		C		A	→
Information management		C		B	A
Change management				A	→
Project management					A
BUSINESS MANAGEMENT					
Performance management				C	A
Strategic marketing and brand management				B	A
Corporate Governance		C		B	A
Information strategy				B	A
Human resource management				C	A

Topic	Certificate and Professional Levels				Advanced Level
	Management Information	Business and Finance	Financial Management	Business strategy	
COST ANALYSIS FOR DECISION MAKING					
Costing					
Cost classification	A			→	→
Costing systems – direct, marginal, absorption	B			→	→
Activity based costing (ABC)	C			→	B
Break even analysis	B			→	A
Multi-product break even analysis					B
Budgeting and performance management	B			→	A
Pricing					
Pricing decisions	B			A	→
Transfer pricing	B			A	→
Decision making techniques					
Expected values				B	A
Relevant cash flows				B	A
Sensitivity analysis				B	A
BUSINESS AND SHAREHOLDER VALUE					
Valuation Techniques					
Income – dividend yield			B		A
Income P/E			B		A
Income – discounted cash flow			B		A
Asset based measures			B		A
Options approach					B
Shareholder value					
Value Based Management (VBM)					B
Value drivers			B		A
Shareholder Value Analysis (SVA)			B		A
Short and long-term growth rates and terminal values					A
Economic profit					A
Cash flow Return on Investment (CFROI)					A
Total Shareholder Return (TSR)					A
Market Value Added (MVA)					A

Topic	Certificate and Professional Levels				Advanced Level
	Management Information	Business and Finance	Financial Management	Business strategy	
INVESTMENT APPRAISAL AND RISK ANALYSIS					
Project appraisal					
NPV	B		A		→
IRR	B		A		→
Payback	B		A		→
Relevant cash flows			A		→
Tax and inflation			A		→
Replacement Analysis			A		→
Capital rationing			A		→
Adjusted Present Value (APV)			A		→
Assessing risk					
Project appraisal and sensitivity analysis			B		A
Project appraisal and simulation			B		A
Expected values			B		A
Scenario planning					A
Gap analysis				B	→
Continuous vs. event risk				B	→
FINANCIAL ANALYSIS					
Cost of capital					
Cost of equity			B		A
Cost of debt			B		A
Cost of preference shares			B		A
Cost of bank loans			B		A
Weighted Average Cost of Capital (WACC)			B		A
Effective interest rates					A
Splitting convertibles into equity and debt elements					A
Equity instruments					A
Portfolio theory and CAPM					
Portfolio theory			B		A
CAPM			B		A
APT and MCPM					A
CAPM and cost of capital			B		A

Topic	Certificate and Professional Levels				Advanced Level
	Management Information	Business and Finance	Financial Management	Business strategy	
International cost of capital					A
Bonds and fixed interest securities					
Bond pricing using NPV					A
Yields to maturity					A
Duration and price volatility					A
Convexity					A
Term structure of interest rates					A
Corporate borrowing and default risk					A
SOURCES OF FINANCE AND FINANCING ARRANGEMENTS					
Short, medium and long-term sources of finance		B			A
Loan agreement conditions (warranties; covenants; guarantees)			B		A
Raising capital		B			A
Gearing and capital structure			A		→
Loan agreements and covenants			A		→
Dividend policy			A		→
Financing reconstructions (e.g., group reconstruction, spin off, purchase of own shares, use of distributable profits)			B		A
Treasury and working capital management	C				A
Small and medium company financing					B
History of finance					C
FINANCIAL INSTRUMENTS AND FINANCIAL MARKETS/ FINANCIAL RISK MANAGEMENT					
Futures, options and swaps					
Options			B		A
Interest rate futures			B		A
Interest rate options			B		A
Interest Forward Rate Agreements (FRAs)			B		A
Interest rate swaps			B		A
Foreign exchange					
Currency forward contracts			B		A
Currency money market cover			B		A
Currency options			B		A

Topic	Certificate and Professional Levels				Advanced Level
	Management Information	Business and Finance	Financial Management	Business strategy	
Currency swaps			B		A
Operational techniques for managing currency risk			B		A
Theoretical determinants of foreign exchange rates			B		A
Option value					
Value of a call and put option			C		B
Black Scholes option pricing model					B
Binomial Option Pricing Model					B
Real options			C		B

ETHICS CODES AND STANDARDS TECHNICAL GRID

Ethics Codes and Standards	Level	Modules
	C/D	Certificate Level Accounting
	B	Assurance
	C/D	Business and Finance
	D	Law
	C	Management Information
	C	Taxation 1
		Professional Level
Framework for Preparation and Presentation of Financial Statements	A	Audit and Assurance
	B	Business Strategy
	B	Financial Accounting and Reporting
ICAB Code of Conduct – Schedule C, Part-I		
	B/C	Financial Management
	B	Taxation 2
		Advanced Level
	A	Corporate Reporting
	A	Strategic Business Management
	A	Case Study

FINANCIAL REPORTING TECHNICAL GRID

Topic	Certificate & Professional Level		Advanced Level
	Accounting	Financial Accounting and Reporting	Corporate Reporting
Preface to Bangladesh Financial Reporting Standards		A	A
Conceptual Framework for Financial Reporting	B	A	A
IAS 1 Presentation of Financial Statements	A	A	A
IAS 2 Inventories	B	A	A
IAS 7 Statement of Cash flows	B	A	A
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	B	A	A
IAS 10 Events after the Reporting Period		A	A
IAS 12 Income Taxes		C	A
IAS 16 Property, Plant and Equipment	B	A	A
IAS 17 Leases		B	A
IAS 19 Employee Benefits		-	A
IAS 20 Accounting for Government Grants and Disclosure of Government Assistance		A	A
IAS 21 The Effects of Changes in Foreign Exchange Rates		C	A
IAS 23 Borrowing Costs		A	A
IAS 24 Related Party Disclosures		B	A
IAS 26 Accounting and Reporting by Retirement Benefit Plans		-	D
IAS 27 Separate Financial Statements		B	A
IAS 28 Investments in Associates and Joint Ventures		B	A
IAS 29 Financial Reporting in Hyperinflationary Economics		-	D
IAS 32 Financial Instruments: Presentation		B	A
IAS 33 Earnings Per Share		C	A
IAS 34 Interim Financial Reporting		-	A
IAS 36 Impairment of Assets		B	A
IAS 37 Provisions, Contingent Liabilities and Contingent Assets	C	A	A
IAS 38 Intangible Assets	C	A	A

Topic	Certificate & Professional Level		Advanced Level
	Accounting	Financial Accounting and Reporting	Corporate Reporting
IAS 39 Financial Instruments: Recognition and Measurement		C	A
IAS 40 Investment Property		-	A
IAS 41 Agriculture		-	D
IFRS 1 First-Time Adoption of IFRS		-	A
IFRS 2 Share-based Payment		-	A
IFRS 3 Business Combinations		B	A
IFRS 4 Insurance Contracts		-	D
IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations		B	A
IFRS 6 Exploration for and Evaluation of Mineral Resources		-	D
IFRS 7 Financial Instruments: Disclosures		C	A
IFRS 8 Operating Segments		-	A
IFRS 9 Financial Instruments		-	C
IFRS 10 Consolidated Financial Statements		B	A
IFRS 11 Joint Arrangements		B	A
IFRS 12 Disclosure of Interests in Other Entities		B	A
IFRS 13 Fair Value Measurement		C	A
IFRS 14 Regulatory deferral accounts		-	C
IFRS 15 Revenue from contracts with customers	C	A	A
IFRS 16 Leases	-	B	B
IFRS for SMEs		-	A

TAXATION TECHNICAL GRID

Topic	Certificate Level	Professional Level
	Taxation 1	Taxation 2
1 Basic concepts, definitions, principles	B	A
2 Administration of Bangladesh Income Tax	B	A
3 Income Tax preparation process, procedure	B	A
4 Dispute resolution	B	A
5 Tax compliances and VAT rules	C	A
6 Special provisions, recovery, refund	C	A
7 International taxation	-	B
8 ethical consideration	C	A
9 Tax Research	C	B
10 Tax planning, compliances	B	A
11 VAT and other taxes	B	A

BUSINESS LAW TECHNICAL GRID

Topic	Certificate Level	Professional Level
	Business Law	Corporate Laws & Practices
1. Overview of Companies Act, 1994	B	A
2. The Negotiable Instruments Act, 1881	B	A
3. The Partnership Act, 1932	B	A
4. The Bangladesh Labour Act, 2006 and Bangladesh Labour Rules, 2015	C	B
5. The Companies Act 1994 and Secretarial Practices	-	B
6. Laws relating to the Securities and Exchange Commission	C	A
7. Financial Reporting Act 2015	-	B
8. The Bank Company Act 1991	-	B
9. The Financial Institutions Act 1993	-	B
10. The Insurance Act 2010	-	B
11. Foreign Exchange Regulations, 1947	-	B

INFORMATION TECHNOLOGY TECHNICAL GRID

Topic	Certificate Level	Professional Level
	Information Technology	IT Governance
1. Information Systems in Business	C	A
2. Introduction to Computers	B	A
3. E- business Systems	C	B
4. Enterprise Business Systems	B	B
5. Electronic Commerce Systems	B	B
6. Decision support systems	C	B
7. Developing business / IT Solutions	C	B
8. IT Governance and Strategy	D	B
9. Information Technology Policies and Laws	D	B
10. Information Systems Security	D	A
11. IT Controls	C	A
12. Information Systems Auditing	-	A

APPENDIX 1: ICAB SKILLS PROGRESSION

Assessed skills	Certificate	Professional	Advanced
Understanding the problem			
Understanding the subject matter and identifying issues	Specific issues	Simple scenarios	Complex scenarios
Accessing, evaluating and managing information	Information/data as provided	Single information source provided	Multiple information sources provided
Using technical knowledge and professional experience	Highly structured application of knowledge	Structured application of knowledge	Structured application of knowledge and experience
Providing a solution			
Using analytical tools	Specified tools	Specified tools	Tools inferred by nature of problem
Analysing and evaluating problems	Highly specified tasks	Specified problems	Specified problems Defined output with partly unspecified problems
Assessing quality of information	Objective testing	Specified in simple scenario	Specified in complex scenario
Assessing options and priorities including ethical issues	Options given	Options included in simple scenario	Options included in complex scenario
Considering other perspectives	Not assessed	Alternative provided	Alternatives provided or identified using professional experience
Advising the client			
Drawing conclusions and making recommendations	Not assessed	Specified conclusions and recommendations in simple scenarios	Conclusions and recommendations supported by own evidence
Presenting data and written work	Prescribed exam format	Exam requirements, including some professional presentation	Exam requirements, including professional presentation