

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 polices
- 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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3. CISA Review Manual: Information Systems Audit and Control Association
4. National IT Policy, 2009
5. Information and Communication Technology Act, 2006
6. What is IT governance? A formal way to align IT & business strategy (<https://www.cio.com/article/2438931/governance/governanceit-governance-definition-and-solutions.html>)
7. Understanding Blockchain Technology And What It Means for Your Business, DBS Innovation Group (https://www.dbs.com.sg/treasures/aics/pdfController.page?pdfpath=/content/article/pdf/AIO/AIO_2016/SECTOR-19-001-blockchain-lowres.pdf)
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9. Accounting Information Systems: James A. Hall, Thomson South-Western
10. Accounting Information Systems: Marshall B. Romney and Paul John Steinbart, Pearson Education, Inc.
11. Value of Fintech, KPMG (<https://assets.kpmg.com/content/dam/kpmg/uk/pdf/2017/10/value-of-fintech.pdf>)
12. Using CAATs to Support IS Audit by S. Anantha Sayana, CISA, CIA (<http://www.isaca.org/Journal/Past-Issues/2003/Volume-1/Pages/Using-CAATS-to-Support-IS-Audit.aspx>)
13. Cybersecurity and the Internet of Things by EY ([http://www.ey.com/Publication/vwLUAssets/EY-cybersecurity-and-the-internet-of-things/\\$FILE/EY-cybersecurity-and-the-internet-of-things.pdf](http://www.ey.com/Publication/vwLUAssets/EY-cybersecurity-and-the-internet-of-things/$FILE/EY-cybersecurity-and-the-internet-of-things.pdf))

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.