

REPUBLIC OF RWANDA

MINISTRY OF FINANCE & ECONOMIC PLANNING

MINECOFIN

**Twinning Arrangement to develop capacity building for the
Institute of Certified Public Accountants of Rwanda (ICPAR)**



Proposed CPA Syllabus

The Institute of Certified Public Accountants of Ireland



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Introduction

The syllabus as developed is the result of widespread consultation with Rwandan stakeholders and represents a wide range of knowledge and education, as is required for a professional accountant. There are eighteen papers in total, divided into those taken at Foundation, Intermediate and Advanced levels respectively.

They together represent a challenging agenda for prospective accountants but one which will mean that those who have successfully passed the papers will have a wide and deep knowledge of the range of topics that are relevant to professional accountants, as well as giving employers, clients and other users of accounting services increased confidence in the work of qualified accountants in Rwanda. The syllabus, and the associated examination process, will play a crucial part in increasing the credibility of the profession, and will increase the career potential of those who are qualified accountants as well as developing a strengthened sense of professional pride.

The individual papers are as follows:

FOUNDATION 1

- F1.1 Business Mathematics and Quantitative Methods
- F1.2 Introduction to Law
- F1.3 Financial Accounting
- F1.4 Business Management, Ethics and Entrepreneurship

FOUNDATION 2

- F2.1 Management Accounting
- F2.2 Economics and the Business Environment
- F2.3 Information Systems
- F2.4 Taxation

INTERMEDIATE LEVEL

- I1.1 Managerial Finance
- I1.2 Financial Reporting
- I1.3 Company Law
- I1.4 Auditing

ADVANCED LEVEL 1

- A1.1 Strategy & Leadership
- A1.2 Audit Practice & Assurance Services
- A1.3 Advanced Financial Reporting

ADVANCED LEVEL 2

- A2.1 Strategic Corporate Finance
- A2.2 Strategic Performance Management
- A2.3 Advanced Taxation

CPA Foundation Level Syllabus

There are two stages of examinations at this level:

- Foundation 1 (F1), and
- Foundation 2 (F2)

Stage: Foundation 1

Subject Title: F1.1 Business Mathematics and Quantitative Methods

Aim

The aim of this subject is to ensure that students acquire, understand and apply quantitative techniques that are used in business decision-making. They develop the ability to interpret the information obtained and present this information in a manner appropriate to a business environment.

Business Mathematics and Quantitative Methods as an Integral Part of the Syllabus

This is an essential foundation subject for the professional accountant. It develops the mathematical and statistical competence necessary to facilitate students' progression through the Foundation and Advanced Level examinations in subjects such as *Financial Accounting, Financial Reporting, Advanced Financial Reporting, Management Accounting, Managerial Finance, Strategic Corporate Finance and Strategic Performance Management*.

Learning Outcomes

On successful completion of this subject students should be able to:

- Demonstrate the use of financial mathematics, measures of central tendency / dispersion and indices in business.
- Display information in a graphical/tabular form including frequency distributions, networks, etc.
- Demonstrate the use of probability and confidence intervals in business.
- Explain the concept of present value and apply discounting techniques in investment appraisal.
- Apply moving averages and regression analysis in forecasting.

Syllabus:

1. Introduction to Financial Mathematics

- Simple and compound interest, annual percentage rate, (APR), depreciation, (straight line and reducing balance), discounting, present and future value of money and investment appraisal techniques, annuities, mortgages, amortisation, sinking funds.
- Handling formulae, use of positive and negative numbers, brackets and powers, calculus.
- Linear and quadratic equations and graphs: costs and production functions (fixed, variable and total costs, average and marginal costs): break-even analysis, revenue and profit functions and their interpretation.

2. Sources Of Data, Presentation And Use

- Sources and types of data (primary & secondary data), nature, appreciation and precautions in use.
- Role of statistics, uses and misuses of statistics in business analysis and decision making
- Presentation of data, use of bar charts, histograms, pie charts, graphs, tables, frequency distributions, histogram, frequency polygons, ogives and their use and interpretation

3. Measures of Central Tendency and Dispersion

- Averages and variations for grouped and ungrouped data
- Measures of location – mean, median, mode, geometric mean, harmonic mean, percentiles, quartiles.
- Measures of dispersion – range, variance, standard deviation, co-efficient of variation

4. Probability and Probability Distributions

- Meaning of probability, nature of probability distributions, discrete and
- Continuous random variables, expected values.
Standard Normal Distribution, confidence intervals, z-score, T-Chi square and associated diagrams
- Use and application of probability distributions.
- Binomial probability distribution and its application in business
- Analysis of binominal populations (the probability of success p, and failure q)
- The Poisson Probability Distribution, the Poisson population and application of Poisson distribution in analysing of Poisson events.

5. Sampling and Sampling Theory (The role of sampling as compared to population census)

- Probability Sampling Methods – Simple random, stratified, cluster, Systematic sampling
 - Interval estimation for large and small samples; confidence levels, standard error; estimate of sample size.
 - Hypothesis testing – Null and Alternative hypothesis; description of Type I and Type II errors.
- Non Probability sampling methods = quota sampling and snowball sampling.

6. Regression and Correlation Analysis

- Simple Linear Regression, scatter graphs, least squares method.
- Co-efficient of determination, correlation co-efficient, rank and product moment correlation.
- Use of linear regression equation in forecasting.

7. Time Series Analysis

- Factors influencing time series – trend, seasonal, cyclical, irregular variations.
- Smoothing time series by means of moving averages.
- Use of time series in forecasting

8. Indices: Use And Construction

- Simple, aggregate, Laspeyres, Paasche, chain indices.
- Change of base period, weighting.
- Construction, use and interpretation of indices.

9. Network Analysis

- Activity identification, Relationship between various elements, construction of simple networks.
- Analysis of networks by deriving the critical and non-critical activities.
- Derivation and definition of the critical path.

10. Linear Programming

- Simple Linear Programming and simplex
- Transportation
- Assignments

11. Decision Theory

- Minimax, Maximum, Maximax
- Decision Trees
- Game Theory

Stage: Foundation 1

Subject Title: F1.2 Introduction to Law

Aim

The aim of this subject is to ensure that students have an understanding of the law relating to the accountant and the ability to identify problems that require the advice of a legal professional.

Business Laws as an Integral Part of the Syllabus

The legal principles learnt in this subject are relevant to students throughout their professional accounting studies. In particular *Introduction to Law* is an essential foundation for the study of *Company Law*.

Knowledge gained from this subject will also be particularly relevant in the further study of *Auditing, Audit Practice and Assurance Services, Financial Accounting, Financial reporting, Advanced Financial reporting* and *Strategy and Leadership*.

Learning Outcomes

On successful completion of this subject students should be able to:

- Distinguish between and describe sources of law
- Interpret, describe and discuss aspects of the law of property
Interpret, describe and discuss aspects of the law of contract and of sale of goods and supplies of services
- Interpret, describe and discuss aspects of the law relating to negotiable instruments and insurance
- Recognise if and when more specialist legal knowledge is required and identify the source of that expertise.
- Describe, discuss and explain aspects of company law relating to the structure of business entities and of their commercial relationships.

Syllabus:

1. Nature, Purpose and Classification of Law

- Nature and purpose of law
- Classification of Law
- Law & Morality
- Ethics and the Law

2. Sources of Law

- The Constitution
- Legislation
- Statutes of general application
- Substance of common law and doctrines of equity
- Judicial precedent

3. Administrative Law

- Separation of Powers
- Natural Justice
- Judicial control of the Executive
- Administrative Legislation
- Arbitration

4. The Court System

- Courts and tribunals: composition, jurisdiction
- Structure, composition and jurisdiction of courts justice
- Subordinate Courts

5. Law of Persons

- Legal Personality
- Types of persons: natural person, artificial person
- Sole proprietorships
- Partnerships
- Unincorporated Associations
- Limited Companies

6. Law of Tort

- Nature of tortious liability
- General defences in the law of tort
- Negligence
- Nuisance
- Trespass
- Vicarious liability
- Occupier's liability
- Limitation of action
- Defamation

7. Law of Contract

- Nature of a contract
- Classification of Contracts
- Formation of Contracts
- Terms of a contract, conditions, warranties and exemption clauses
- Vitiating factors: mistake, misrepresentation, duress, undue influence, illegality, illegal contracts
- Discharge of contract
- Remedies for breach of contract
- Limitation of actions

8. Sale of Goods

- Nature of the Contract
- Formation of the Contract
- Terms of the Contract
- Transfer of property in goods
- Rights and duties of the parties
- International contracts of sale

9. Agency

- Nature and creation of agency
- Types of Agents
- Authority of an agent
- Rights and duties of the parties
- Termination of agency

10. Hire Purchase

- Nature of the contract
- Formation of the contract
- Terms of the contract
- Rights and duties of the parties
- Termination of the hire purchase contract

11. Insurance

- Nature of the contract
- Formation of the contract
- Principles of Insurance

12. Negotiable Instruments

- Nature and characteristics
- Negotiability and transferability
- Types: cheques, promissory notes, bills of exchange
- Rights & Obligations of the parties

13. The Law of Property

- Definition of property (real and personal property: movable and immovable property, intellectual and intangible property, trademarks, copyrights and patents)
- Ownership of property
- Freehold and leasehold interests
- Leases
- Mortgages and charges
- Foreclosure
- Rights & Restrictions on another's property

Stage: Foundation 1

Subject Title: F1.3 Financial Accounting

Aim

The aim of this subject is to ensure that students understand the role, function and basic principles of financial accounting and master the rules of double entry bookkeeping. They also develop the ability to prepare, analyse and report on financial statements for basic reporting entities in accordance with International Financial Reporting Standards (IFRSs) and International Public Sector Accounting Standard (IPSAS).

Financial Accounting as an Integral Part of the Syllabus

The concepts and principles learnt in this subject are an essential foundation for the later studies of *Financial Reporting*, *Advanced Financial Reporting*, *Auditing and Audit Practice and Assurance Services*.

Learning Outcomes

On successful completion of this subject students should be able to:

- Identify the users of financial accounts and explain their requirements.
- Discuss and explain accountancy concepts and principles.
- Apply the principles and procedures of double entry bookkeeping.
- Prepare and present financial statements for sole traders, limited companies, partnerships and other organisations in accordance with current standards.
- Discuss, explain and apply the accounting treatment of non-current assets, current assets, events after the reporting period and contingencies in accordance with IFRS and IPSAS.
- Prepare and present statements of cash flow and interpret and reconcile the movements in cash balances.
- Analyse and interpret financial statements and prepare accounting information for management control and decision-making.

Syllabus:

1. Accounting Framework

- Terminology, concepts, conventions. The purpose of accounting information and its communication.
- The users of financial accounts, statements and their requirements.
- Nature, principles and scope of financial accounting and its limitations.
- The accounting profession and the role of the accountant.
- The ethics and independence of the accounting profession.
- The regulatory environment.
- The nature, role and significance of IASs, IFRSs and IPSAS.

2. Book-Keeping

- Principles and procedures.
- Original entry, double entry, supporting records, bank accounts and reconciliation statements. Cash accounts, control accounts, trial balance, adjusting journal entries.
- Allocation of expenditure and income between capital and revenue, and the treatment of reserves, provisions, accrued expenditure and payments in advance.

3. Accounting, Treatment of the following IAS's:

- International Accounting Standards:-
 - Presentation of Financial Statements
 - Inventories
 - Accounting Policies, changes in accounting estimates and errors
 - Events after the balance sheet date
 - Property, Plant & Equipment
 - Revenue
 - Government Grants
 - Provisions, Contingent Liabilities and Contingent Assets
 - Intangible Assets
 - Investment Property
 - Cash Flow Statements

4. Preparing Financial Statements for Different Forms of Business Entities

- Limited companies in a form suitable for publication or internal use
- Unlimited companies
- Sole Traders- including incomplete record situations.
- Companies
 - Allotments, issue of shares.
 - Preparation of limited company accounts to include statements of comprehensive income and statements of financial position in accordance with standard international accounting practice.
- Preparation of accounts in relation to:
 - Clubs or Societies
 - Government organisations
 - Non profit-making organisations
 - Manufacturing Accounts

5. Interpretation of Financial Statements

- Statements of cash flow (for single entities only). Construction interpretation and reconciliation of movements in cash balances in accordance with the IFRS regime.
- Analysis and interpretation of financial statements and drafting reports thereon. Preparation of accounting information for management control and decision-making.

Stage: Foundation 1

Subject Title: F1.4 Business Management, Ethics and Entrepreneurship

Aim

The aim of this subject is to ensure that students have an understanding of key principles and concepts in business management and also a full understanding of the importance of business and professional ethics in their conduct and actions. They should also be aware of the skills required to be a successful entrepreneur and the importance and techniques of effective communication.

Business Management, Ethics and Entrepreneurship as an Integral Part of the Syllabus

The principles and concepts learnt in this subject are relevant to students throughout their professional accounting studies.

Although there are connections with many subjects throughout the syllabus, knowledge gained from this subject will also be particularly relevant in the further study of *Auditing, Audit Practice and Assurance Services, Financial Accounting, Introduction to Law, Management Accounting* and *Strategy and Leadership*. There is a connection between communications subjects and the *Information Systems* paper.

Learning Outcomes

On successful completion of this subject students should be able to show:

- An understanding of the core Business functions of Management and marketing
- An understanding of the attributes of an effective entrepreneur.
- An understanding of how these functions affect the running of a modern business.
- An understanding of the key concepts and fundamental principles of Ethics and the practical application of them in the context of business and commercial activities.
- Enhanced communication skills, verbal and written, that allow candidates to disseminate information and messages clearly to a range of audiences.

Syllabus:

1. Foundations of Business Management

- The nature of management and its role in business
- Common business analysis techniques such as SWOT and PEST
- The challenges that arise in the contemporary business environment and its dynamic nature

2. Management

- The fundamental principles and theories on which business management is based
- The contributions of management within a modern business organisation
- The challenges involved in effective business management
- Functions of Management
- The role of Human Resource management within the organisation and the associated challenges that may arise

3. Marketing

- The role of marketing and sales within the organisation
- The importance of customer relations, market research and marketing communications
- The use of the internet in marketing
- Marketing ethics
- The different elements of the marketing mix and the role of services marketing

4. Governance

- The main elements of governance that apply to both large and small companies

5. Ethics

- The concepts and principles of the ICPAR Code of Ethics and the IFAC Code of Ethics
- Disciplinary procedures of ICPAR and the consequences of a breach of the regulations
- The ethical obligations upon a person dealing with financial information, products and services
- The ethical obligations of company directors
- The ethical obligations of auditors

6. Entrepreneurship and self-employment

- The definition of entrepreneurs and entrepreneurship
- Factors to be reviewed when considering self-employment
- The economic importance of self-employment
- Entrepreneurship and innovation
- Entrepreneurial characteristics
- The role and challenges of an entrepreneur

7. Entrepreneurial opportunities

- Generation and sources of business ideas
- Business incubation
- Qualities of a good business opportunity
- Assessing and selecting a suitable market
- Matching skills and resources to changing technology
- The protection of business ideas and business security issues
- Networking

8. Enterprise development

- Factors and trends that influence the growth of business enterprises
- Business life cycles, stages and challenges faced by an entrepreneur at each stage
- Strategies for managing growth and transition
- Factors for success at each stage of development
- Statutory policies on enterprise development

9. Entrepreneurial awareness and motivation

- Procedures involved in starting a business
- Sources of business finance, for example micro-finance
- Legal forms of business ownership
- Legal aspects in business: licenses, labour laws, health and safety rules
- Business contracts and tendering procedures
- Business amalgamations for example mergers, acquisitions, franchise, take-overs, integrations
- Motivational theories of entrepreneurship
- Incentives for aspiring entrepreneurs

10. Business plan development

- The definition and importance of a business plan
- The components of a business plan: business description, owners, products/services, marketing plan, organisation and management plan, operational/production plan, personal financial statement, financial plan, executive summary, appendices.

11. Current issues in entrepreneurship

- Taxation, trade exhibitions, e-commerce, globalisation, outsourcing
- Entrepreneurship Education & Training
- Social Entrepreneurship (NFP- Not for Profit)

12. Essential communication skills

- Communication processes and barriers
- Channels of communication
- Types of verbal and non-verbal communication
- The importance of listening skills, critical thinking and problem solving

13. Business communication

- Meetings and interviews
- Business correspondences: letters, memos, circulars
- Report writing, types, structure and uses of reports
- Postal and courier services
- Presentations: planning, organising/delivering business presentations

14. Technology and communication

- Telephone, fax
- Email
- Internet
- Electronic postal services and money transfers
- Other modern communication technologies

15. Emerging trends in communication

- Diversity in physical infrastructure & Higher Speed broadband networks
- Network Management Technologies eg E-Security
- Web based services and the emerging “social web” – social networking sites (SNS), Mobile Web, Internet TV, Cloud Computing, Virtual Identities, Semantic Web

Stage: Foundation 2

Subject Title: F2.1 Management Accounting

Aim

The aim of this subject is to ensure that students develop a knowledge and understanding of the various cost accounting principles, concepts and techniques appropriate for planning, decision-making and control and the ability to apply these techniques in the generation of management accounting reports.

Management Accounting as an Integral Part of the Syllabus

This subject develops in students an understanding of how management accounting plays an integral part in the modern commercial environment, supporting entrepreneurial activities in both growing and established entities. It provides an essential foundation in the study of cost and management accounting and is a necessary prerequisite to the later studies in *Managerial Finance*, *Strategic Performance Management*, *Strategic Corporate Finance* and *Strategy & Leadership*.

Learning Outcomes

On successful completion of this subject, students should be able to:

- Explain the relative strengths and weaknesses of alternative cost accumulation methods and discuss the value of management accounting information.
- Calculate unit costs applying overhead using both absorption costing and activity based costing principles.
- Apportion and allocate costs to units of production in job, batch and process costing systems, for the purpose of stock valuation and profit measurement.
- Identify and explain cost behaviour patterns and apply cost-volume profit analysis.
- Define and use relevant costs in a range of decision-making situations.
- Prepare and present budgets for planning, control and decision-making.
- Compute, interpret and investigate variances.
- Demonstrate communication skills including the ability to present quantitative and qualitative information, together with analysis, argument and commentary, in a form appropriate to the intended audience.

Syllabus:

1. The Role of the Management Accountant

- The nature and scope of management accounting.
- The relationship between management accounting and financial accounting.
- Cost classifications.
- The role of the Management Accountant in a modern business environment including the recognition of possible ethical issues that may arise.

2. Cost Accumulation Systems

- Accounting for materials: stock valuation approaches (FIFO; LIFO and AVCO); EOQ; JIT concepts.
- Accounting for labour: remuneration methods; incentive schemes; productivity, labour turnover and labour performance reports.
- Accounting for Overheads: absorption costing and activity based costing (ABC) approaches to overheads.
- The preparation of integrated accounts.

3. Costing Methods

- Job and batch costing.
- Process costing for single products and the use of equivalent units calculations under both FIFO and Weighted Average accounting systems.
- Process costing ledger accounts including normal and abnormal loss/gain.
- The role of costing in non-manufacturing sectors (Service costing).
- Marginal costing and the importance of contribution for decision-making.
- Comparison of marginal costing and absorption costing approaches.

4. Information for Decision Making

- Cost behaviour patterns and identification of fixed/variable elements in a cost using High/Low method, scatter-graphs and regression analysis.
- Break-even analysis and the importance of contribution.
- Break-even chart preparation and interpretation.
- Calculation of break-even point, margin of safety and target profit.
- Limitations of Cost Volume Profit Analysis.
- Relevant costing principles including committed, sunk and opportunity costs.
- Relevant costs in decision-making.
- Decision making with a single limiting factor/constraint.
- Qualitative factors relevant to specific decisions.

5. Information for Planning and Control

- The role of budgeting including alternative budgeting systems (Fixed, flexible, incremental and Zero Based Budgeting (ZBB)).
- Behavioural and motivational issues in the budgetary process.
- Functional and subsidiary budgets. (Master budgets are examinable at A1 Stage).
- Standard costing: role and procedures for standard setting including different types of standards.
- Variance analysis: the calculation and interpretation of basic sales/cost variances. Reconciliation reports. The inter-relationship and possible causes of variances. (Fixed overhead capacity and efficiency variances are not examinable.)

Stage: Foundation 2

Subject Title: F2.2 Economics and the Business Environment

Aim

The aim of this subject is to ensure that students have a solid foundation in economics contributing to the development of a competent and well-rounded member of the profession. This subject embraces a knowledge of the sources, interpretations and limitations of economic/business statistics.

Economics and the Business Environment as an Integral Part of the Syllabus

Economics is an essential foundation subject for the professional accountant. This will equip students to develop their knowledge, understanding and analysis of the economic environment and application of economic concepts. Knowledge gained from this subject will be particularly relevant when studying *Management Accounting, Managerial Finance, Strategic Performance Management, Strategic Corporate Finance, and Strategy & Leadership*.

Learning Outcomes

On successful completion of this subject students should be able to:

- Explain economic concepts and terms and their uses and application.
- Explain the market environment and income determination.
- Analyse and discuss the impact of government policy and international economic institutions on economic issues.
- Apply micro economic techniques to interpret and explain business and consumer behaviour.
- Describe the modifying and opportunistic aspect of the particular market environment in which a firm operates.
- Discuss and analyse the factors determining the contribution of various resources to the firm's revenue.
- Explain the upper and lower limits to income determination and the distribution of economic rents.
- Explain the national economic parameters within which business is conducted.
- Discuss the interrelationship of the various sectors within the economy.
- Describe the factors governing the operation of financial institutions and the significance of these for economic activity.
- Discuss the global forces that influence the open Rwandan economy.

Syllabus:

1. Concepts

- Types of economic systems (The free enterprise, command and maximum price control systems)
- Supply and demand.
- Determination of price.
- Equilibrium.
- Market systems and the allocation of scarce resources.
- Concepts of cost –opportunity, fixed, variable, marginal, average.
- Time aspect –short run, long run.
- Aspect of size –economies and diseconomies of scale, economies of scope.
- Implications of various elasticity concepts.

2. The Firm in the Market Place

- The meaning and levels of Production (Primary, Secondary and Tertiary or Service Industries).
- Factors of Production (Land, Labour, Capital and Entrepreneur), Factor mobility and factor intensity in industries
- Production, Revenue and cost functions (product, revenue and cost curves)
- Economies and diseconomies of scales both internal and external
- The concept of profit and revenue maximisation.
- The conditions for long run profit maximisation.
- The conditions for short run profit maximisation.
- An understanding of the various forms of market structures - Perfect Competition, Monopolistic (Imperfect) Competition, and Monopoly.
- Long run price/output determination for each of the above forms of market structure.
- Economic efficiency in respect of each of these forms of market structure.

3. Influence of Competitors on Behaviour of Firms

- Strategic Rivalry.
- Oligopoly and interdependence
- Natural and strategic entry barriers
- Kinked demand curves
- Perfect competition, imperfect competition, monopoly and oligopoly

4. Growth Strategies of Firms

- Horizontal growth.
- Vertical growth.
- Diversified growth.
- Growth by merger.
- Economies of scope.
- Profit maximisation objective when management is separate from ownership.
- Alternative theories of the firm.
- Principal-agent theory.

5. Factor Markets and Income Determination

- Marginal productivity theory.
- Wage determination.
- Rent, interest and profit.
- Economic rents.

6. The Macro-economic Environment

- The circular flow of income.
- Potential and actual levels of aggregate demand.
- National Income determination in an open economy with government.
- Interrelationship between National Income Statistics – GNP / GDP / National Income.
- Accelerator and Multiplier.

7. Government and the Macro-economy

- Objectives of national economic policy.
- Interaction of objectives.
- Policy instruments.
- Economic cycles.
- Budget strategies.
- Fiscal stabilisers.
- Economic implications of direct and indirect forms of taxation.

8. Money and Banking

- Development of the money economy.
- Functions of money.
- Credit creation by the banking sector.
- Money multiplier.
- Central Banking.
- Monetary policy / Exchange rate policy.
- Interest Rates and the macro-economy.

9. Global Economics

- Law of comparative advantage.
- Terms of trade.
- Restrictions to free international trade.
- Fixed versus floating exchange rates.
- Balance of payments.
- The global market environment.
- Economic benefits to a firm from a global strategy.
- The pattern of international trade flow.

Stage: Foundation 2

Subject Title: F2.3 Information Systems

Aim

The aim of this subject is for students to develop an understanding of the role and application of Information Systems (IS) and Information Technology (IT) in the management and control of organisations. It provides the basis for the further development of students for the roles of manager, advisor, assurance provider and designer of IS and IT.

Information Systems as an Integral Part of the Syllabus.

This is an essential subject for the later study of *Auditing, Audit Practice & Assurance Services and Strategy & Leadership*. Students will develop their understanding of selecting and advising on the implementation of appropriate systems, processes, controls and solutions in a business environment.

Learning Outcomes

On successful completion of this subject students should be able to:

- Explain the role of information systems in today's competitive business environment.
- Appraise and discuss the major management challenges to building and using information systems in organisations.
- Recognise and discuss ethical, social, and legal issues in the design and use of information systems.
- Analyse how information systems support various business strategies for competitive advantage.
- Analyse and discuss the challenges posed by strategic information systems and management solutions.
- Examine the role of Internet technology in facilitating management and coordination of internal and inter-organisational business processes.
- Assess the challenges posed and opportunities offered by electronic business and electronic commerce and management solutions.
- Identify the challenges posed and opportunities offered by data resource management and management solutions.
- Evaluate the challenges of managing IT infrastructure and management solutions.
- Discuss alternative methods for building information systems and alternative methodologies for modelling systems.
- Explain what 'eXtensible Business Reporting Language' (XBRL) is and describe how it improves the reliability and ease of communicating complex financial information among internal and external users.
- Critically analyse Information Technology based case studies, thus incorporating their strategic and practical knowledge of Information Systems to real life business situations.

Syllabus:

1. The Digital Firm

- Describe and discuss why information systems should be employed.
- Approaches to Information Systems.
- The role of information systems.
- The role of information systems in business strategy.
- Information systems support in the decision making process.
- Information systems and management issues.
- Ethical, social, and political issues of information systems.
- The impact of contemporary information systems and the Internet on the protection of individual privacy and intellectual property.
- The role of information systems in today's competitive business environment.
- The impact of the Internet and Internet Technology on business and government.
- Defining an information system from both a technical and business perspective and distinguishing between computer literacy and information systems literacy.
- The major management challenges to building and using information systems in organisations.

2. Types of Information Systems in Business

- Information systems supporting the major business functions: sales and marketing, manufacturing and production, finance and accounting, and human resources.
- The relationship between organisations, information systems, and business processes.
- Transaction Processing Systems.
- Office Information Systems.

3. Functions of Information Systems

- The functions of Information Systems.
- Relationships between different information systems and where information systems are used within the firm.
- Information systems support for business strategies for competitive advantage.
- The challenges posed by strategic information systems and management solutions.

4. **Electronic Business & Mobile Commerce**

- The Internet: new information technology infrastructure for the Digital Firm.
- Internet platforms.
- The use of electronic business and electronic commerce.
- Technologies used for electronic business and electronic business models.
- Internal and external applications of electronic business and electronic commerce.
- Management issues associated with electronic business.
- The impact of Internet Technology on value propositions and business models.
- The impact of electronic commerce on consumer retailing and business-to-business transactions.
- Payment systems for electronic commerce.
- The role of Internet Technology in facilitating management and coordination of internal and inter-organisational business processes.
- The challenges posed by electronic business and electronic commerce and management solutions.
- Wireless transmission media and devices, cellular network standards and generations, and standards for mobile Web access.
- M-commerce in business and m-commerce applications.
- Wireless applications in business.
- Cloud computing

5. **Information Technology**

5.1 Computer Hardware

- The stages of IT infrastructure evolution.
- The technology drivers of IT infrastructure evolution.
- Contemporary computer hardware platform trends.
- The components of a computer system.
- Computer processing, storage, input and output technology.
- Types and classifications of computer systems.
- Managing hardware assets.
- Managing IT infrastructure and management solutions.

5.2 Computer Software

- Operating systems.
- Application software packages.
- Programming languages.
- Managing software assets.
- Contemporary software platform trends.
- Extensible Business Reporting Language (XBRL).

5.3 Telecommunications and Networks

- Components and functions of telecommunications systems.
- Communication networks.
- eBusiness and eCommerce technologies.
- Networking/telecommunications platforms.
- Consulting and system integration services.

5.4 Database And File Organisation

- The file organisation approach.
- The database management systems (DBMS) approach.
- Database management systems (DBMS) vs. file organisation methods.
- Types of databases.
- Database purchase issues.
- Database design & maintenance issues.
- Database design principles.
- Database trends.
- Managing data resources and management solutions.

6. Organisational Support Systems

6.1 Knowledge Based Systems

- Knowledge Based Systems.
- The flow of Knowledge Management.
- The control of Knowledge Management.

6.2 Management Decision Support Tools

- Decision Support Systems.
- Group Decision Support Systems.
- Executive Support Systems.
- Knowledge Working

7. Information System Development

- The System Development Life Cycle (SDLC).
- Alternatives to SDLC e.g. Prototyping, RADE, etc.
- System development and management considerations.
- The impact of building new systems on organisational change.
- Developing information systems that support an organisation's business plan.
- The core activities in the systems development process.
- Alternative methods for building information systems and alternative methodologies for modelling systems.
- The challenges of building information systems and management solutions.

8. Feasibility Study & Business Value of Systems

- Aims, objectives, problem identification, responsibilities, planning, management and lifecycle.
- Cost benefit analysis and final outputs.
- Models for understanding the business value of information systems.
- Change management requirements for building successful systems.

9. System Security and Control

- The need for special protection from destruction, error, and abuse of information systems.
- The business value of security and control.
- Organisational and managerial frameworks for security and control.
- System vulnerability and abuse.
- Preventative maintenance techniques and security controls.
- Disaster recovery planning.
- Quality control and quality assurance.
- Tools and technologies for safeguarding information resources.
- Identify the challenges posed by information systems security and control and management solutions.

Stage: Foundation 2

Subject Title: F2.4Taxation

Aim

The aim of this subject is that students develop a knowledge and understanding of the workings of the tax system under the specified tax heads. This knowledge is applied in the calculation of tax liabilities and the identification of basic tax saving measures.

Taxation as an Integral Part of the Syllabus.

Taxation is an essential component for the later study of *Advanced Taxation*. Knowledge gained from this subject will also be relevant in the further study of *Auditing, Audit Practice and Assurance Services, Managerial Finance* and *Strategic Corporate Finance*.

Learning Outcomes and syllabus

On successful completion of this subject students should be able to:

- Classify and correctly assess income under the appropriate tax head and schedule
- Prepare income tax computations and returns
- Describe the operation of VAT and prepare Vat returns
- Describe customs taxes and excise taxes
- Describe and apply Capital Deductions

Syllabus:

1. Theory of Taxation

- Why governments levy taxes
- Principles of an optimal tax system
- Classification of taxes
- Incidence of taxes
- Taxable capacity
- Budgetary objectives
- Role of taxation in achieving budgetary objectives
- Fiscal policy reforms and their impact on government
- Revenue, expenditure and economic activities

2. Taxation of Income of Persons

- Sources of taxable Incomes
- Non- taxable incomes
- Taxable and non-taxable persons and institutions
- Tax rates: Relief and withholding taxes
- Taxation of individuals, partnerships and body corporate
- Allowable and non-allowable deductions
- Tax deficits
- Tax computations
- Incomplete Records
- Application of Case Law

3. Capital Deductions

- Investment deduction:-
 - Ordinary manufacture
 - Manufacture under bond
 - Shipping investment deductions
- Industrial building deductions
- Wear & Tear Allowances
- Farm works deductions
- Other deductions
- Application of Case Law

4. Tax Administration – Administration of Income Tax

- Income Tax Act, finance bills and their provisions
- Identification of new taxpayers
- Tax assessments, self-assessment, additional assessments and estimated assessment
- Remittance of tax: Instalment tax and final tax
- Turnover tax
- Operation of PAYE system
- Tax compliance and tax audit notices
- Objection, appeals and relief of mistake
- Appellant bodies
- Collection and recovery of taxes
- Refund of taxes and waivers
- Offences, fines, penalties and interest
- Application of Case law

5. Administration of Value Added Tax

- Introduction and development of VAT in a country
- Classification of taxable goods and services
- Exempt supplies
- Registration and de-registration of taxable persons
- Rights and privileges of a VAT registered person
- Accounting for VAT, taxable value, time of supply
- Charge of tax, deductions of input tax
- Apportionment method of input tax
- VAT records
- VAT due for payment/credit
- Remission, rebate and refund of VAT
- Collection and recovery of tax
- Offences, penalties and interest
- Requirements of objections and appeals
- Compliance management: reconciliation of returns and compliance checks
- Tax audits; normal audit; in-depth audit

6. Administration of customs taxes and excise taxes

- Customs procedures
- Tax powers and rights to revenue
- Import and export duties
- Goods subject to customs control
- Valuation of imports and exports
- Prohibitions and restriction measures
- Transit goods and bond securities
- Excisable Goods
- Rules of origin and their economic consequences
- East African Community Customs Management Act

7. Taxation of specific sources of Income

- Dividends
- Interest
- Rent
- Royalties
- Pension
- Annuities
- Other gains or profits

8. Other Revenue Sources

- Miscellaneous revenue sources, inspection charges,
- Trade licences, airport taxes, stamp duties, property rates, petroleum levy, sugar levy, betting and gaming tax
- New taxes, levies and charges

CPA Intermediate Level Syllabus

There is one stage of examinations at this level:

- Intermediate (I1)

Stage: Intermediate Level

Subject Title: I1.1 Managerial Finance

Aim

The aim of this subject is to ensure that students understand the nature and scope of financial management. They should be able to assess an entity's funding requirements, calculate the cost of the available sources of finance, and advise on the optimum financing structure for an entity. Students should be able to evaluate the role of, and apply, corporate planning and budgetary control techniques. They are also expected to demonstrate excellent written communication skills and the ability to integrate learning from the syllabi of this and other subjects.

Managerial Finance as an Integral Part of the Syllabus

Managerial Finance develops the knowledge of students with respect to the financial management of organisations and builds on the Foundation 2 Stage *Management Accounting* subject. This subject is an essential underpinning for *Strategic Corporate Finance*, *Strategic Performance Management* and *Strategy & Leadership at Advanced 2 Stage*.

Learning Outcomes

On successful completion of this subject students should be able to:

- Interpret, and critically appraise corporate objectives (including shareholder value, stakeholder value, value creation, investment policy and long and short-term financing);
- Analyse and evaluate the main financial management decisions of a company (including capital budgeting, investment appraisal, working capital management, capital structure and dividend decisions).
- Describe and discuss the relationship between risk and return and demonstrate its application to portfolio theory and the Capital Asset Pricing Model (CAPM).
- Apply, evaluate and compare common business valuation models.
- Evaluate the role of corporate planning and budgetary control as key elements in managerial finance including the preparation and utilisation of performance measurement statements.
- Prepare and present quantitative and qualitative information for management decision-making integrating analysis, argument, and commentary in a form appropriate to the intended audience.

Syllabus:

1. Financial Environment

- Aims and objectives of profit seeking and non-profit seeking organisations.
- The inter-relationship between financial management, management accounting and financial accounting.
- Interests and influence of key stakeholder groups.
- Ethics and corporate governance issues in Managerial Finance.

2. Sources Of Finance

- Equity / debt financing and associated risks.
- Short, medium and long term finance.
- The nature and importance of internally generated funds.
- Determinants of capital structure.
- The nature and role of capital markets, - types of share capital including: rights issues, convertibles, warrants, etc.
- Sources of government finance including: grants, national aid schemes, tax incentives etc.
- Venture capital financing, nature, benefits and risks.

3. Investment Appraisal

- Time Value of Money, present values of cash flows, use of Present Value and Annuity Tables.
- Identification of relevant cash flows.
- Non-financial factors relevant to investment decisions.
- Investment appraisal techniques including:
 - Net Present Value
 - Adjusted Present Value
 - Internal Rate of Return
 - Payback.
- Lease or buy decisions.
- The effects of inflation, taxation and capital rationing on the investment decision.

4. Working Capital Management

- Effective working capital management strategies and corporate survival.
- Cash budgets/cash-flow forecasts.
- The operating cycle.
- Debtor and creditor management techniques including: credit evaluation, terms of credit, settlement discounts, debt collection techniques, factoring and invoice discounting.
- Inventory management techniques, including EOQ and JIT.
- Overtrading - symptoms, causes and remedies.

5. Cost Of Capital

- Cost of equity, Dividend growth and Capital Asset Pricing (CAPM) methods.
- Cost of redeemable and irredeemable debt.
- WACC – Calculation, application and interpretation.
- Systematic and unsystematic risk.
- Portfolio diversification.
- Portfolio theory and its application in practical financial management.
- Dividend decisions.
- Calculate and interpret the risk and return of a two asset portfolio.

6. Business Valuations

- Methods of valuing a business, including:
 - Asset bases.
 - Earnings bases.
 - Discounted cash flow.
 - Dividend yield.
 - Dividend growth.

7. Budgetary Planning and Control

- Budgetary planning and control.
- Incremental, zero-based and activity based approaches to budget formulation.
- Functional budgets, including cash flow (linked to syllabus area 4), projected statements of comprehensive income and statements of financial position.
- Behavioural aspects of budgeting.
- The government budgeting process

8. Management Accounting in Decision Support

- Variance calculation and analysis including fixed overhead capacity and efficiency variances.
- Target costing.
- Relevant costs in decision making.
- Pricing decisions:
 - Price / demand relationships.
 - Cost plus pricing.
 - Market driven pricing.
- Limiting factors (including linear programming - with two decision variables. Using either the graphical and simultaneous equation approaches).
- Make or buy decisions.
- Qualitative factors relevant to specific decisions:
 - Internal
 - H.R. / Motivational.
 - External
 - Competitor Activity.
 - Social and environmental considerations.
 - Impact on stakeholder groups including: customers, employees, investors, suppliers and society.
- Simulation

Stage: Intermediate Level

Subject Title: I1.2 Financial Reporting

Aim

The aim of this subject is to ensure that students have the technical knowledge and understanding of how to account for transactions and prepare financial statements for both single entities and groups, in accordance with international financial reporting standards.

Financial reporting as an Integral Part of the Syllabus

Financial reporting develops the concepts covered in Financial Accounting and provides students with the appropriate context to develop their technical skills. It is an essential underpinning for the later study of *Advanced Financial reporting and Audit Practice & Assurance Services*.

Learning Outcomes

On successful completion of this subject students should be able to:

- Prepare the financial statements of companies and groups of companies in accordance with current international financial reporting standards and national legislation, including:
 - Statements of Comprehensive Income,
 - Statements of Financial Position
 - Statements of Changes in Equity, and
 - Statements of Cash flow.
- Prepare notes to financial statements in accordance with current international financial reporting standards and national legislation.
- Discuss, explain and apply the methods of accounting for business combinations; and
- Interpret financial statements and prepare reports tailored to each user group's technical knowledge and understanding of such statements.

Syllabus:

1. Company Accounts

- Preparation and presentation of financial statements to comply with the relevant Rwandan legislation and IFRS, this should focus on both accounting for:-
 - Large Listed Entities
 - Branch Accounts
 - Co-Operatives and small businesses
 - Accounting for Banks & Other Financial Institutions
 - Accounting for Insurance Companies
 - Accounting for Agri-business (Farm Accounts)
 - Accounting for Consignments & Other Agency Selling
 - Accounting for bankruptcies and liquidations
- International Accounting Standards & International Financial Reporting Standards:-
 - (Revised) Presentation of Financial Statements
 - Property, Plant & Equipment
 - Accounting Government Grants & Disclosure of Government Assistance
 - Leases
 - Investment Property
 - Intangible Assets
 - Inventories
 - Provisions, Contingent Liabilities & Contingent Assets
 - Events after the Reporting Period
 - Accounting Policies, Changes in Accounting Estimates & Errors
 - The effects of changes in Foreign Exchange Rates
 - Cash Flow Statements
 - Construction Contracts
 - Earnings Per Share
 - Non Current Assets
 - Income Taxes
 - Revenue
 - Financial Instruments
 - First time adoption of International Financial Reporting Standards
 - Interim Financial Reporting
 - Agriculture
 - Operating Segments

2. Group Accounts and Business Combinations

- Consolidated statements of financial position, consolidated statements of comprehensive income, including reserve reconciliations, consolidated statements of cash flow, acquisition and disposal of subsidiaries and associates (both domestic and overseas) during the year.
- Takeover of sole traders.
- Treatment of goodwill at acquisition N.B Piecemeal acquisitions or disposals, and sub-subsidiaries are not included.

3. Interpretation Of Financial Statements

- Ratio analysis, cash flow analysis, and the preparation of reports thereon.

4 Government sector financial reporting

- The broad reporting requirements of the Rwandan government in accordance with the relevant Rwandan law (this should include recent developments such as the evolution of an Organic Law on Finances and Asset which is in preparation if completed in time for the syllabus).
- A broad understanding of the content of the Finance & Accounting Regulations Manual
- The international standard setting process and IPSAS

Stage: Intermediate Level

Subject Title: I1.3 – Company Law

Aim

This subject aims to ensure that students understand the key aspects of business and commercial law to business organisations and recognise issues that require the advice of a legal professional. In addition they must understand, apply and advise on the regulatory and governance requirements applicable to business organisations.

Company Law as an Integral Part of the Syllabus.

The legal principles learnt in this subject will be relevant to students throughout their professional accountancy studies. In particular this subject is an integral component for the study of *Financial reporting, Managerial Finance, Auditing, Advanced Financial reporting, Advanced Corporate Finance* and *Audit Practice & Assurance Services*.

Learning Outcomes

On successful completion of this subject students should be able to:-

- Understand how to form a company
- Distinguish between companies and other business organisations
- Understand appointment of Directors, Secretary, Auditor
- Understand Company Accounts
- Understand procedures to be applied to Corporate Insolvency
- Understand a apply alternative procedures to winding up

Syllabus:

1. Company Law

- Nature & Classification of Companies
- Forms of business organisations
- Distinction between companies and other business organisations
- Law relating to other business organisations such as co-operative societies

2. Registration of a Company

- Memorandum and Articles of Association
- Promoters
- Legal consequences of incorporation

3. Share Capital

- Types of Share Capital
- Raising Share Capital
- Variation of shareholders rights
- Prospectuses
- Alteration, maintenance and reduction of capital
- The acquisition and redemption by a company of its own shares
- Financial assistance by a company for purchase of its own shares
- Dividends

4. Debt Capital

- Debentures
- Charges
- Registration of charges
- Remedies for debenture holders
- Borrowing powers of a company

5. Membership of a company

- Ways of becoming a member
- Register of members
- Rights and liabilities of members
- Termination of membership

6. Shares

- Classes of shares
- Issue and Allotment
- Transfer and transmission
- Mortgage of Shares
- Share Warrant

7. Meetings

- Classification of Meetings
- Notice of Meetings
- Agenda
- Proxies
- Quorum
- Proceedings at the meeting
- Resolutions
- Minutes

8. Directors

- Appointment of directors
- Qualification, disqualification and removal of directors
- Powers and duties of directors
- Compensation for loss of office
- Loans to directors
- Register of directors
- Disclosure of directors' interests in contracts
- The Turquand's rule
- Investor Protection
- Insider Dealing

9. The Secretary

- Qualification, Appointment and removal
- Position and duties
- Liability of a secretary
- Removal of a secretary
- Register of directors and secretary

10. Auditors

- Qualification, appointment and removal
- Remuneration of auditors
- Powers and duties
- Vacation of office

11. Company Accounts, Audit and Inspection

- Form and content of accounts
- Books of account
- Group Accounts
- Directors' report
- Auditor's report
- Investigation by the registrar
- Appointment and powers of inspectors
- Inspector's report

12. Corporate Insolvency

- Winding up by court
- Voluntary winding up
- Liquidators: Appointment and duties
- Release of liquidators
- Offences relating to liquidation

13. Alternatives to winding up

- Reconstruction
- Amalgamation
- Mergers and takeover
- Schemes of arrangement
- Rights of shareholders
- Rights of creditors

Stage: Intermediate I1

Subject Title: I1.4 Auditing

Aim

The aim of this subject is to introduce students to the concepts and principles of the audit process and to develop their understanding of its application in the context of the legal, regulatory and ethical framework of the profession.

Auditing as an Integral Part of the Syllabus

Auditing is an essential foundation subject for the subsequent study of *Audit Practice* and *Assurance Services* at Advanced 2 Stage. It is also an essential component for the study of *Advanced Financial reporting* at Advanced 2 Stage. In carrying out the audit of an entity's financial statements there is a critical need to identify the source, and test the treatment of financial statement items (period transactions and year-end balances) and disclosures, to ensure compliance with generally accepted accounting practice. The subjects: *Financial Accounting and Financial reporting* will provide students with this necessary knowledge. *Introduction to Law, Company Law, Taxation and Information Systems* will increase students' awareness of other matters that an auditor must consider in the audit process.

Learning Outcomes

On successful completion of this subject students should be able to:

- Interpret and discuss the legal, regulatory and ethical framework within which the auditor operates.
- Differentiate and explain the respective responsibilities of directors and auditors.
- Explain the nature, purpose and scope of an audit and discuss and defend the role of the auditor.
- Apply and explain the process relating to the acceptance and retention of professional appointments, to include the purpose and content of engagement letters.
- Devise an overall audit strategy and develop an audit plan.
- Supervise and review the various stages of the audit process.
- Outline the nature of internal controls and the procedures required to evaluate control risk relating to specific accounting systems, in order to identify internal controls and weakness within the systems.
- Distinguish between Tests of Control and Substantive Procedures.
- Design and apply the appropriate audit tests to include in the audit programme.
- Carry out analytical procedures and assess the implications of the outcome.
- Explain the significance, purpose and content of management letters and management representations.

- Explain the distinction between an internal and external audit.
- Apply and discuss audit sampling.
- Demonstrate the outcome and implications of subsequent event reviews.
- Plan and describe the audit of computer information systems.
- Draw appropriate conclusions leading to the formulation of the auditor's opinion.
- Apply and explain the basic component elements of the Auditor's Report.
- Identify and analyse matters that impact on the wording of Modified Reports, differentiating between matters that do not affect the auditor's opinion, and matters that do affect the auditor's opinion.
- Recognise ethical issues, discuss, escalate or resolve these as appropriate within the Institute's ethical framework, demonstrating integrity, objectivity, independence and professional scepticism.

Syllabus:

1. The Auditor and the Audit Environment

- The Statutory Audit: need, objective, focus, nature and structure. Public interest, expectations, interrelationships between auditor, directors (management) and shareholders and other users of financial statements, including their respective roles and the auditor's duties to these parties.
- The Rwandan audit profession and ICPAR: organisation and regulation.
- International Standards on Auditing (ISAs) and other technical pronouncements issued by APB: nature, formulation, issuance and compliance enforcement.
- The audit implications of International Accounting Standards (IFRS/IAS): understanding and basis for application.
- Directors' responsibilities versus auditor's responsibilities for financial statements and internal controls; distinction between external and internal audit.
- Corporate governance.

2. Auditor's Legal, Ethical and Professional Responsibilities

- Professional ethical responsibilities:
 - IFAC Code of Ethics.
- Statutory responsibilities and rights:
- Key responsibilities derived from International Standards on Auditing (ISAs).
- Auditor's responsibility in relation to fraud and for the entity's compliance with laws and regulations.
- Auditor's responsibilities defined by case law arising from alleged negligence (financial statements misstated) and related exposure and consequences
- Pre-appointment procedures: client assessment (including management integrity) and completion of engagement letter.

3. Audit Planning and Supervision

- Materiality: nature (quantitative and qualitative), determination, impact and use throughout different phases of the audit.
- Audit risk and its components (inherent, control and detection risks): interrelationships, evolution as audit progresses and impact on nature, timing and extent of audit work.
- Audit strategies (risk based auditing, tests of control, substantive procedures, combined procedures, audit around and through computerised systems) and their impact on the conduct of the audit.
- Knowledge of the entity and its environment: business, risks, management, and accounting systems.
- Nature, extent and timing of audit procedures in response to assessed risks of material misstatement, sufficient and appropriate audit evidence, types of audit evidence, general audit techniques (enquiry, observation, inspection, analysis, computation, confirmation).
- Audit planning memo, audit programmes and working papers.
- Audit supervision and review.

4. **Audit Execution: Internal Control, Assessing Control Risk and Tests of Control**

- Entity's control environment and control procedures, objectives, limitations, attributes.
- Auditor's and management respective responsibilities.
- Internal control descriptions (flowcharts, narrative descriptions, walkthroughs) and internal control assessments (ICEs/ICEQs).
- Broad approach to internal controls, components of internal controls, limitations of internal control
- Assessing the Risk of Material Misstatement, Internal Controls assessment and Tests of Control for the following major systems: sales, purchases, payroll, cash receipts and disbursements, inventory.
- Audit Programmes for Tests of Control.
- Final Assessment of Control Risk.
- Management letter reporting and assessment of impact on audit strategy.

5. **Audit Execution: Financial Statement Items Substantive Procedures.**

- Application of specific substantive procedures to test the following categories of assertions:
 - Assertions relating to classes of transactions and events;
 - Assertions relating to account balances;
 - Assertions relating to presentation and disclosure.
- Audit of statements of financial position, validation procedures, applied in audit of:
 - Tangible fixed assets.
 - Inventory.
 - Accounts receivable, prepayments & sundry debtors.
 - Investments and market securities.
 - Bank and cash balances.
 - Accounts Payable, accruals & sundry creditors, provisions for liabilities.
 - Debenture loans and bank borrowings.
 - Capital and Reserves, Equity.
- Audit of statements of comprehensive Income account, validation procedures, applied in audit of:
 - Revenues and expenses.
 - Sales/purchases.
 - Wages and salaries.
 - Other statement of comprehensive income account items.
- Understanding of IFRS/IAS concerning above items.
- Misstatements / aggregation / assessment / impact on audit reporting.

6. Audit Execution: Other Considerations

- Sampling methods: decision to use, judgemental versus statistical (MUS) sampling methods for controls and financial statement items, sample selection and assessment.
- Analytical review: nature and use (financial statements/data) throughout audit.
- Going concern and its impact throughout the different phases of the audit.
- Subsequent events.
- Accounting estimates.
- Commitments and contingencies.
- Management representation letters.
- Use of experts.

7. Audit Execution: Computer Information Systems (Cis) Auditing

- Entity's computer systems and controls:
 - Computer systems: general applications of e-commerce and impact on control and audit work, key computer processes including data organisation and access, network and electronic transfers and transaction processing modes, key computer system hardware and software, including xbrl.
 - Key computer system general controls: design and implementation, data integrity, privacy and security, system program changes, system access and disaster recovery plans.
 - Key computer system application controls: transactions input, processing and output, master-file changes.
- Computer Assisted Audit Techniques (CAATS):
 - Nature (computer software including expert systems and test data),
 - Purpose (testing, administration),
 - Application and related audit concerns (integrity and security of CAATs, audit planning considerations)

8. Audit Reporting

- Reporting on Audited Financial Statements.
- Key concepts: opinion, true and fair view, materiality, statutory requirements.
- Basic elements of the Auditor's Report.
- Modified Reports, differentiating between
 - Matters that do not affect the auditor's opinion, and
 - Matters that do affect the auditor's opinion.
- Circumstances giving rise to Modified Reports:
 - Limitations on Scope.
 - Disagreements with management.
- Auditor's responsibility before and after the date of the Auditor's Report.
- Auditor's responsibility for other information in documents (e.g. Annual Report) containing audited financial statements.

9. Public sector auditing

- The role of the OAG
- The legal environment in which the OAG and auditees function
- Specific considerations for public sector auditing
- The role of INTOSAI

CPA Advanced Level Syllabus

There are two stages of examinations at this level:

Advanced Level 1

Advanced Level 2

Stage: Advanced Level 1

Subject Title: A1.1 Strategy & Leadership

Aim

The aim of this subject is to provide students with the ability to contribute effectively to the strategic management of enterprises through the objective analysis of business situations, the critical evaluation of strategic options and the implementation of change programmes.

Strategy & Leadership as an Integral Part of the Syllabus

Strategy & Leadership integrates and expands the knowledge acquired in many of the subjects at the earlier examination stages. This subject provides a framework for future leaders to analyse, develop and implement strategies for entrepreneurial activities in both growing and established entities.

Learning Outcomes

On successful completion of this subject students should be able to:

- Display a detailed understanding of strategic development, marketing and market place strategy.
- Integrate and apply theories and concepts from strategic management and related disciplines effectively to solve business problems in complex and diverse situations.
- Identify, develop and lead appropriate business strategies, in support of entrepreneurial activities and existing organisations (this will include the public sector).
- Evaluate the importance of knowledge management in strategy implementation, and advise on the implementation of appropriate systems, processes and solutions.
- Develop and promote a business case.
- Initiate and lead complex projects successfully.
- Communicate effectively to a variety of audiences.

Syllabus:

1. The Strategy Process

- The Concept of Strategy:
 - Levels of strategy and planning.
 - Setting mission, aims, goals & objectives.
 - Matching strategy and structure.
 - The competitive environment.
 - Ethical, political & social considerations.
- Strategic Management and Operational Management.
- Perspectives on Strategy:
 - Deliberate and emergent strategy.
- The Marketing Dimension:
 - Marketing management concepts.
 - Analysing marketing opportunities.
 - Market segmentation.
 - The marketing mix.
 - Strategic planning and marketing management.
 - Market place models.

2. The Strategic Position

- Environmental Analysis:
 - The macro environment.
 - Industry/Sector analysis.
 - Market analysis.
 - Opportunities & threats.
- Assessing Strategic Capability:
 - Critical success factors.
 - Assessing resources.
- Measuring Stakeholder Expectations:
 - Corporate governance.
 - Stakeholder analysis.
 - Identifying stakeholder expectations.
 - Business ethics.
 - Cultural considerations.

3. Strategic Choices

- Corporate Level:
 - The role of the corporate centre:
 - Portfolio manager.
 - Corporate core competencies.
 - Manager.
 - Restructurer.
 - Synergy manager.
 - Parental developer.
 - The Corporate Portfolio.
 - The Growth/Share Matrix.
 - The Directional Policy Matrix.
 - The Relatedness Matrix.
 - Corporate Diversification.
- Business Level:
 - Bases of competitive advantage (Price, differentiation, etc.).
 - Sustaining competitive advantage.
 - Game theory.
 - Competition and collaboration.
 - Value Innovation.
 - Business ecosystems.
 - Business case development.
 - Supporting the entrepreneur & New Venture Creation.
- Strategy Development:
 - Directions.
 - Methods.
 - Success criteria.

4. Strategy Implementation

- Structure and Processes:
 - Organisation structure.
 - Planning & control systems (incl. ERP, Balanced Scorecard).
 - Market mechanisms.
 - Social/cultural process.
- Managing Key Enablers:
 - People:
 - H.R. Management.
 - Organisational Behaviour.
 - Leadership:
 - Culture change.
 - Knowledge creation.
 - Information & Technology:
 - Knowledge management.
- Managing the Change Process.
 - Change management:
 - Analysing the change situation.
 - The nature of change.
 - Changing organisational culture.
 - Organisational communications.
 - Project management.
 - Project objective and scope.
 - Project teams, sponsors and responsibilities.
 - Project timeline and milestones.
 - Allocation of resources.
 - Critical path analysis.
 - Project reporting procedures.
 - Project evaluation.

5. Post strategy evaluation

Stage: Advanced Level 1

Subject Title: A1.2 Audit Practice & Assurance Services

Aim

The aim of this subject is to ensure that students can demonstrate the knowledge, skills and competencies necessary to carry out the audit of an entity and undertake assurance engagements, having due regard to the Institute's and profession's ethical standards in a changing and complex business environment.

Audit Practice and Assurance Services as an Integral Part of the Syllabus

In carrying out the audit of an entity's financial statements it is essential to fully understand the application of the relevant International Standards in Auditing (ISAs), International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs). Many issues that face auditors frequently arise from the accounting treatment of certain financial transactions in the financial statements of the entity.

The study of the subject *Auditing* at Advanced 1 Stage is an essential foundation for the study of *Audit Practice and Assurance Services* at Advanced 2 Stage. *Financial Accounting and Information Systems* (at Foundation 2 Stage) and *Financial reporting and Company Law* (at Advanced 1 Stage) are also essential prerequisites for the study of *Audit Practice and Assurance Services*.

Learning Outcomes

Upon successful completion of this subject students should be able to:

- Explain, interpret and apply the legal, regulatory and ethical framework to the role of the auditor.
- Identify audit risks, and describe the procedures undertaken at the planning stage to meet the objectives of the audit.
- Design, evaluate and report on internal control and financial reporting systems and identify and communicate control risks, applying these skills to practical situations in both manual and computerised environments.
- Describe the application of Computer Assisted Auditing Techniques.
- Design, plan and apply audit testing techniques and procedures in the practical application of International Standards on Auditing (ISAs), International Standards on Quality Control (ISQCs) and other technical pronouncements to auditing and assurance situations.
- Evaluate the role of internal audit, including a comparison with the role of the external auditor.
- Draw conclusions, having applied appropriate professional skill, scepticism and judgement.

- Report to shareholders, management and other relevant parties in the course of providing audit and assurance services.
- Plan and perform the necessary work and report on other assurance engagements in the context of agreed terms of reference and the legal, regulatory and ethical framework.
- Undertake audit and assurance engagements with reference to the best practices and developments in Corporate Governance and their application to clients' processes.
- Evaluate, explain and discuss issues and developments relating to auditing, including audit expectations and developments in the regulation of audits.
- Demonstrate an ability to work within a professional and ethical framework.

Syllabus:

1. Legal and Regulatory Environment

- An in-depth knowledge of the Companies Acts / Orders and other company law legislation affecting the auditor.
- Responsibilities imposed on auditors of Rwandan Stock Exchange listed companies and legal responsibilities to shareholders.
- An in-depth knowledge of standards and other technical pronouncements issued by the IASB and IAASB.
- A detailed appreciation of case law decisions and their implications for the auditing process.
- An in-depth knowledge of other legal liabilities affecting auditors and accountants in providing audit and assurance services.

2. Ethics

- Application of the ICPAR Code of Ethics.
- The fundamental principles of professional ethics.
- Threats and safeguards.
- Responsibilities to clients and colleagues.
- Other responsibilities and practices including:
 - Changes in professional appointments.
 - Use of lien in fee disputes.
 - Advertising and publicity.
 - Use of professional designations.
- Conflicts of interests.
- Code of confidentiality.
- Professional liability and indemnity.
- Misconduct and negligence.

3. Internal Controls and Financial Systems

- The definition of the control environment and control procedures.
- Effective internal controls.
- The limitations on the effectiveness of internal controls.
- Ascertaining and understanding internal control systems: narrative notes, flowcharts, checklists, internal control questionnaires, walk through tests.
- Evaluations and assessment of accounting systems and internal control systems and its subsequent impact on audit work.
- Reliance on internal controls and internal audit.
- The principles and control procedures in a computer environment including system analysis and design considerations.
- The use of Computer Assisted Audit Techniques.

4. Risk Assessment & Audit Process

- New engagements.
- The strategic design and planning of an audit and knowledge of the client's business.
- The review of financial statements to include analysis and critical assessment.
- Quality control and recording of the audit.
- The evaluation and testing of control procedures and audit evidence.
- The design and carrying out of tests of substance on specific audit areas.
- Consideration of materiality, audit risk, reliance on other specialists, events after the reporting period, contingencies, related parties.
- Use of experts.
- Characteristics of fraud and the responsibility of auditors for detecting material misstatement due to fraud.

5. Reporting

- Reporting on Audited Financial Statements.
- Key concepts: opinion, true and fair view, materiality, statutory requirements.
- Basic elements of the Auditor's Report.
- Modified Reports, differentiating between
 - Matters that do not affect the auditor's opinion, and
 - Matters that do affect the auditor's opinion.
- Circumstances giving rise to Modified Reports.
 - Limitations on Scope.
 - Disagreements with management.
- Auditor's responsibility before and after the date of the Auditor's Report.
- Auditor's responsibility for other information in documents (e.g. Annual Report) containing audited financial statements.

6. Special Audits and Other Assurance Engagements

Relevant audit planning, execution (including internal control implications), reporting and professional practice considerations concerning:

- Group audits, small business audits (including small business exemption), not-for-profit audits, first time audits.
- Prospectuses and other offering documents (investment circulars): historical year-end financial statements, interim financial statements, and future oriented information.
- Other types of historical financial assurance engagements: financial statements review engagement (Accountant's Report), financial statements compilation engagements (Compilation Report), audit or review of specific financial information (e.g. sales figures for retail park leases), compliance with agreements (e.g. loan covenants), agreed upon procedures.
- Assurance on internal controls in service organisations.
- Other types of audits: value for money/operational, social and environmental, health and safety, whistleblowing, forensic (fraud identification, analysis and assessment).

7. Corporate Governance

- Best Practice
- Audit Committees – structures, roles, benefits and drawbacks.
- Roles and effectiveness of Non-Executive Directors.
- Anti-Money Laundering Procedures.

8. Current Issues

- The current issues and developments relating to auditing, including audit expectations and developments in the regulation of audits.

Stage: Advanced Level 1

Subject Title: A1.3 Advanced Financial Reporting

Aim

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

Advanced Financial reporting as an Integral Part of the Syllabus

By using a case study approach *Advanced Financial reporting* develops the technical skills acquired in *Financial Accounting and Financial reporting* to ensure that students can view financial reporting in its broadest context.

Learning Outcomes

On successful completion of this subject students should be able to:

- Apply and explain the acquisition method of accounting and related disclosure requirements in financial statements and notes.
- Interpret and apply international financial reporting standards (including reference to IPSAS) and interpretations adopted by the IASB selecting the appropriate accounting treatment for transactions and events.
- Analyse and evaluate financial statements.
- Write detailed reports, tailored to the technical understanding of the different user groups.
- Evaluate and discuss the main accounting issues currently facing the professional accountant in the field of financial accounting.
- Demonstrate appropriate professional judgement and ethical sensitivity.

Syllabus:

1. Legislation

- Company Law relating to the preparation of all financial statements

2. Preparation of Financial Statements (Including Consolidated Financial Statements)

- Statutory financial statements for incorporated entities
- Consolidated financial statements.
- Re-Construction & Re- Organisation
- Effects of Inflation
- Social Responsibility Accounting
- Environmental Accounting

3. International Financial Reporting

- An in depth knowledge of all technical pronouncements currently in issue with particular reference to their application to practical situations (including reference to the public sector).
- Current issues in financial reporting.
- International Accounting Standards and International Financial Reporting Standards
 - (Revised) Presentation of Financial Statements
 - Property, Plant & Equipment
 - Impairment of Assets
 - Borrowing Costs
 - Accounting for Government Grants & Disclosure of Government Assistance
 - Leases
 - Investment Properties
 - Intangible Assets
 - Inventories
 - Provisions, Contingent Liabilities & Contingent Assets
 - Events after the Balance Sheet Date
 - Accounting Policies, Changes in Accounting Estimates & Errors
 - The effects of changes in Foreign Exchange Rates
 - Cash Flow Statements
 - Construction Contracts
 - Earnings Per Share
 - Non Current Assets
 - Income Taxes
 - Revenue
 - Financial Instruments
 - First time adoption of
 - Interim Financial Reporting
 - Agriculture
 - Operating Segments
 - Employee Benefits
 - Related Party Disclosures
 - Share Based Payment

4. Analysis, Evaluation and Interpretation of Financial Statements

- Ratio analysis and cash flow analysis.
- Critical appraisal of financial statements; and
- Interpretation of financial statements and preparation of reports thereon.

Stage: Advanced Level 2

Subject Title: A2.1 Strategic Corporate Finance

Aim

The aim of this subject is to enable students to understand the key responsibilities and financing decisions facing today's strategic financial manager. Students should be able to develop detailed business plans, to assess the potential financial risks and to advise on suitable risk management strategies for entrepreneurial activities and established organisations.

Strategic Corporate Finance as an Integral Part of the Syllabus

Strategic Corporate Finance develops the financial management skills acquired by students in *Managerial Finance* (A1) and other disciplines acquired in the earlier examination stages. *Strategic Corporate Finance* requires students to integrate and expand that knowledge so as to provide a framework for strategic financial management analysis and decisions.

Learning Outcomes

On successful completion of this subject students should be able to:

- Evaluate the financial objectives of an organisation, explain how they are determined and interrelate with the non-financial objectives and stakeholder interests.
- Discuss the legal regulations, the professional and ethical considerations facing financial managers.
- Value shares / businesses in the context of a proposed merger, acquisition or management buyout.
- Analyse reasons for and advise on actions to prevent corporate failure.
- Evaluate and advise as to the optimum capital gearing structure, term structure and dividend policy for an organisation.
- Advise as to appropriate exchange risk and interest rate risk management strategies and discuss the use of derivatives in long term risk management.
- Discuss the relevance of portfolio theory and the Capital Asset Pricing Model to financial managers.
- Prepare a business plan for an organisation given prescribed information.
- Evaluate the financial management of an organisation over a period of time and/or relative to competitors / industry norms.

Syllabus:

1. Financial Environment

- Determining financial objectives within the strategic planning process.
- Identify key stakeholders of organisations and the interests of each stakeholder group.
- Corporate Social Responsibility, its relationship to the objective of maximising shareholder wealth.
- Agency theory and its relevance to financial managers.
- The professional, regulatory and legal framework relevant to financial management including stock exchange requirements, money laundering, directors' responsibilities.
- Monetary regulation and its effect on Capital Markets.
- The key activities undertaken by treasury managers.
- Centralised treasury management and the arguments for and against.
- The efficient market hypothesis.

2. Mergers and Acquisitions

- Organic and acquisitive corporate growth.
- Mergers and acquisitions, the arguments for and against.
- Procedures to be complied with during an acquisition.
- Valuation of an organisation in the context of a potential takeover using both the earnings and assets based methodologies.
- The significance of Value Gaps and the information efficiency of capital markets.
- Methods of financing mergers and takeovers including cash, debt, equity and hybrids.
- Defence tactics used during a hostile takeover.
- The role of legal and financial due diligence during a merger/acquisition.
- The attractions and risks associated with Management Buy-outs (MBOs).
- Sources of finance for MBOs.
- The advantages and disadvantages of management buy-ins.
- The arguments for and against a quoted company going private.

3. Corporate Failure

- The symptoms and causes of corporate failure.
- Avoidance of corporate failure.
- The nature, scope and elements of working capital and the importance of effective working capital management to corporate survival.
- Overtrading- symptoms, causes and remedies.

4. Sources of Finance

- Equity and debt financing.
The attractions and risks associated with each.
- Short, medium and long term funding.
- Optimising the gearing structure of an organisation.
- The optimum term structure of an organisation, taking into account strategic plans.
- Dividend policy - key considerations. Including theories of Mogdalini & Miller and Myers Pecking Order Hypothesis.
- Advise on dividend policy.
- Investment from overseas.

5. Financial Risk Management

- The key financial risks facing an organisation.
- Currency risk - transaction, translation and economic exposure.
- The workings of the foreign exchange markets.
- The relationship between foreign exchange rates and interest rates in different countries.
- Forward Exchange Contract and Money Market hedges.
- Other forms of exchange rate risk management including, netting, leading and lagging, currency swaps, currency futures and currency options.
- Exchange risk management strategies.
- Interest rate options, swaps, forwards, futures and swap options.
- Interest rate risk management strategy.

6. Cost of Capital

- Weighted Average Cost of Capital (WACC) -calculate and discuss its uses and limitations
- Portfolio diversification, estimate the risk and return of a portfolio
- The relevance of portfolio theory to practical financial management.
- The Capital Assets Pricing Model (CAPM) – application and limitations.

7. Financial Analysis and Business Planning

- Preparation of long-term business plans from prescribed information.
- Appraise capital investment options using NPV, IRR and Payback criteria.
- Evaluation of a business plan from the perspective of an equity investor or provider of debt funding.
- Assessment an organisation's current financial position.
- Comparison and evaluation of the financial management of an organisation with that of competitors and industry norms.
- Preparation, evaluation and discussion of key financial management indicators based on the published financial statements of an organisation.
- Benchmarking of selected financial KPIs against companies in the same industry sector.

8. International Managerial Finance

- International capital markets
- International money markets
- Euro Markets, Euro Equity Markets, Euro Currency Markets
- Foreign Bonds
- International CDs
- International Bond Markets
- Project Finance
- Currency Cocktails
- Foreign financial intermediaries
- International financial institutions
- Bilateral, multilateral and regional financial institutions
- Integration & Segmentation of financial markets
- Hedging Instruments

Stage: Advanced Level 2

Subject Title: A2.2 Strategic Performance Management

Aim

The aim of this subject is to ensure that students have the ability to conduct a critical, strategic analysis of unfamiliar business situations. This includes the ability to select, integrate and apply the appropriate techniques and approaches in order to identify problems, opportunities, and recommended strategies in specific situations.

Strategic Performance Management as an Integral Part of the Syllabus

This subject builds on the technical knowledge of *Managerial Finance*, *Management Accounting*, and other disciplines acquired in the earlier examination stages. *Strategic Performance Management* requires students to integrate and expand that knowledge so as to provide a framework for strategic analysis of business issues.

Learning Outcomes

On successful completion of this subject students should be able to:

- Select, integrate, and apply strategic performance management techniques which are appropriate to the particular context of specific (but novel and possibly unstructured) business situations described in a case study, through the application of critical strategic thinking, appropriate professional scepticism and ethical judgement.
- Justify a portfolio of strategic performance management techniques selected by reference to the particular illustrative context of a case study situation (and not merely by repetition of abstract or textbook knowledge) and:
 - Predict the strategic advantages for the organisation of applying the proposed techniques in the particular situation;
 - Predict any possible adverse side-effects and propose means of minimising such effects.
- Critically evaluate existing and proposed strategic performance management structures as described in a particular case study, and:
 - Construct an improved set of strategic performance management structures which builds on any identified strengths of existing structures while implementing any new structures identified as necessary;
 - Justify the improved set of strategic performance management structures in its totality (as opposed to justifying only specific elements in a disconnected fashion).
- Assess the likely effects of existing and proposed strategic performance management structures on intra-organisational behaviours, work practices, and

group norms (in the context of the business situation of an entity described in a case study) and:

- Propose means of ameliorating any adverse effects.
 - Propose means of maximising the extent and strategic advantage of any favourable effects.
- Evaluate the implications for particular organisations' strategic performance management systems of emerging developments in the fields of information technology (including e-commerce), business process re-engineering, benchmarking, and corporate governance and propose changes to the strategic performance management systems of a specific organisation described in a case study in the light of such emerging developments.

Syllabus:

1. Advanced Decision-Making

- Pricing decisions (including strategic considerations, revenue management, profit maximisation, services pricing, and product bundling).
- Target costing & Lifecycle costing.
- Product & segment profitability analysis.
- Customer profitability analysis.
- Theory of constraints, throughput and back-flush accounting.
- Activity-based analysis for decision-making.
- Measuring and managing uncertainty, risk (including risk appraisal, expected values, maximax / maximin and sensitivity analysis).
- Decision making with multiple limiting factors including the formulation of problems and interpretation of results using linear programming and the simplex algorithm).
- Assessment of mutually exclusive projects, projects with unequal lives.

2. Planning and Control

- The purpose of budgetary control systems.
- Alternative approaches to budgeting (including incremental budgeting, zero-based budgeting, activity-based budgeting, rolling budgets, and 'beyond budgeting' approaches).
- Budgetary control of engineered, committed, and discretionary costs.
- Advanced variance analysis (including sales mix & yield; materials mix & yield; planning & operational; market size & market share).
- Critical appraisal of standard costing and variance analysis in modern manufacturing environments.
- Advantages and disadvantages of forecasting techniques including: time series, trend analysis, smoothing techniques and seasonal variances.

3. Performance Evaluation

- Divisional profitability: Return on investment and residual income.
- The distinction between economic and managerial performance evaluation.
- Economic value added ®.
- Value-based management.
- Transfer pricing (including Cost-plus, Market, Negotiated & Dual prices).
- Interaction of transfer pricing and taxation.

4. Performance Measurement Systems

- Mission statements, objectives, strategies and goals.
- Performance measurement in modern manufacturing environments (including JIT, TQM, world class manufacturing, and supply chain management issues).
- Scenario planning (what if analysis).
- Alternative competitive strategies.
- Monitoring of the external environment (including competitor accounting).
- Financial and non-financial performance measurement.
- Performance measurement models, including the balanced scorecard.
- Incentive schemes.

5. Current Developments in Strategic Performance Management

- Benchmarking.
- Impact of developments in information technology and ecommerce.
- Business process re-engineering.
- Corporate governance.

Stage: Advanced Level 2

Subject Title: A2.3 Advanced Taxation

Aim

The aim of this subject is to ensure that students understand and can apply the principles and practice of taxation and are able to identify and resolve practical taxation problems. Students should be able to interpret and apply relevant law and advise on the most tax efficient structures.

Advanced Taxation as an Integral Part of the Syllabus.

Advanced Taxation develops the student's knowledge and competence in tax acquired in *Taxation*. There are also linkages to *Advanced Financial reporting*, *Audit Practice and Assurance Services*, *Strategy & Leadership*, *Strategic Corporate Finance* and *Strategic Performance Management*.

Learning Outcomes

On successful completion of this subject student should be able to:

- Understand different forms of taxation and tax administration
- Compute tax liabilities for various entities
- Deal with taxation of specialised activities
- Deal with taxation investigations
- Provide tax planning advice
- Demonstrate an understanding of customs management
- Understand the various tax systems and policies
- Adopt best practices when dealing with clients

Syllabus:

1. Advanced aspects of the taxation of business income

- Partnerships
- Limited Companies
- Application of relevant case law

2. Taxation of specialised activities

- Leasing entities
- Co-Operative societies
- Trade associations and clubs
- Charitable institutions
- Trust bodies, settlements and estates under administration
- Petroleum, banking, insurance, sea and air transport undertakings
- Unit trusts
- Property developers and contractors
- Application of relevant case law

3. Tax Investigation

- Tax evasion, tax avoidance and fraud
- Events which may trigger an investigation
- Back duty and in-depth examinations
- Methods of computing omitted and understated income
- VAT refunds, false claims and accountant's certificate
- Capital settlements and ascertainment of income omitted or understated
- Customs and excise investigations
- Negotiation for settlement
- Tax Audit
- Application of relevant case law

4. Taxation of cross border activities

- Distinction between trading in and trading with a country
- Double taxation agreements; theory, design and application
- Regional perspective with reference to the East African Community (EAC) and the Common Market for Eastern and Southern Africa (COMESA)
- Most favoured nation status
- Withholding tax provisions
- Transfer pricing
- Application of relevant case law

5. Tax Planning

- Tax planning for individuals and companies
- Employment versus self-employment
- Identifying opportunities to alleviate mitigate or defer the impact of direct or indirect taxation
- Remuneration packages
- Corporate structure and dividend flows
- Anti-avoidance provisions
- Transfer of real properties
- Pricing Policy
- Uses of tax incentives
- Disposal of business operations and restructuring of activities

6. Tax Systems and Policies

- Types of tax systems
- Role of taxation in economic development
- Design of a tax policy
- Criteria for evaluation of a tax system
- Tax reforms and modernisation of tax systems

7. Professional Ethics in Taxation

- Form of tax practice and matters relating thereto
- Obligations to clients
- Confidentiality
- Matters relating to new clients
- Handling of client work
- Charging for services
- Matters giving rise to conflict of interest
- Disclosures in tax returns, computations and correspondence with the Revenue Authority
- Dealing with the Revenue Authority
- Moral and social issues in taxation

8. Emerging trends in Taxation

- On-line tax returns
- Transfer pricing
- Double taxation agreements