

ZiCA

Chartered Accountant Zambia
(CA Zambia)

Student Handbook

First edition July 2017

ISBN 9781 5097 1362 2

British Library Cataloguing-in-Publication Data
A catalogue record for this book is available from
the British Library

Published by

BPP Learning Media Ltd
BPP House, Aldine Place
London W12 8AA

www.bpp.com/learningmedia

Printed in the United Kingdom

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2017



Contents



	Page
1 Registration and Entry Requirements	
1.1 Registration requirements	7
1.2 Minimum entry requirements	7
2 Methods of Study	
2.1 Full-time	11
2.2 Part-time	11
2.3 Self-study	11
3 Examinations	
3.1 Examination timetable	15
3.2 Critical dates	15
3.3 Assessment	15
4 Rules and Regulations	
4.1 Number of subjects per examination sitting	19
4.2 Progression	19
4.3 Exemptions	19
4.4 Deferrals	20
4.5 Remarking	21
4.6 Script verification	21
4.7 Certification	21
4.8 Examination malpractices and penalties	22
5 Course Structure	
5.1 Introduction	27
5.2 Course structure	27
5.3 Levels	28
6 Detailed Syllabus	
6.1 Knowledge Level Modules	35
1.1 Financial Accounting	35
1.2 Business Statistics	37
1.3 Business Economics	39
1.4 Commercial and Corporate Law	41
1.5 Management Theory and Practice	43
1.6 Business Communication	46
6.2 Application Level Modules	48
2.1 Financial Reporting	48
2.2 Management Accounting	50
2.3 Auditing Principles and Practice	53
2.4 Taxation	57
2.5 Financial Management	60
6.3 Advisory Level Modules	62
3.1 Advanced Financial Reporting	62
3.2 Advanced Audit and Assurance	64
3.3 Strategic Business Analysis	67
3.4 Advanced Taxation	70
3.5 Advanced Management Accounting	74
3.6 Advanced Financial Management	76
3.7 Public Sector Audits and Assurance	78
3.8 Public Sector Financial Management	81
7 Study Guidance	
7.1 How to study	85
7.2 How to revise	85
7.3 Exam skills you will need to develop	86
7.4 How to pass your exams	90
8 Appendix: Technical knowledge required for standards	95

REGISTRATION AND ENTRY REQUIREMENTS



1 Registration and Entry Requirements

1.1 Registration requirements

All students must register with the Institute at the start of the programme. Registration forms can be obtained from ZiCA Offices in Lusaka and Kitwe or from any ZiCA accredited tuition provider. Alternatively, the forms can be downloaded from the ZiCA website, www.zica.co.zm. All prospective students must complete the form and attach all the relevant documents as stipulated. All statement of results or qualifications attached in support of application must be certified by a registered Commissioner of Oath and by the Examination Council of Zambia for the Grade 12 results.

Student registration numbers shall be sent to all students within two weeks of submission of registration documents.

1.2 Minimum entry requirements

The minimum entry requirements are set out below:

Knowledge Level:

Direct entry: Grade 12 School Certificate or its equivalent with five (5) merits, or better including Mathematics and English.

Application Level:

Recognised Accounting Technician Qualification or Diploma in Accountancy or any other relevant qualification approved by the Institute.

Advisory Level:

Recognised degree in accountancy or other recognised professional accounting qualifications

METHODS OF STUDY



2 **Methods of Study**

Students may learn through any of the following methods: full time, part-time or self-study mode.

2.1 Full-time

Full time study mode is where students attend classes as a full time student at one of the accredited tuition providers.

2.2 Part-time

Part-time study mode is where students attend classes as a part-time student at one of the accredited tuition providers

2.3 Self-study

Self-study mode is where students read for the programme at home without attending classes at any of the accredited tuition providers

EXAMINATIONS



3 Examinations

3.1 Examination timetable

ZiCA will run two examination sessions in a year: June and December. The Examination timetable for each year shall be sent to individual candidates and examination centres. The timetable will also be posted to the Institute's website: www.zica.co.zm during the first week of February every year and published in all issues of the *Student Accountant* magazine.

3.2 Critical dates

Students have to adhere to the closing dates in the table below.

	Examination session	
Fees	June	December
Registration/Re-registration/ Exemption	28 February	31 August
Subscription fees	1 January	1 January
Examination	31 March	30 September

All registered students must pay the annual subscription fee by 1 January of each year. Any student who would have not paid their annual subscription fees by 28 February each year shall be de-registered. A de-registered student will be required to pay a student re-registration fee as prescribed by Council from time to time to activate his/her student membership.

3.3 Assessment

Questions at the **Knowledge level** will provide students with information and relatively simple limited scenario content that they can use as a basis to calculate, compile and prepare responses to specific requirements or as a basis for stating and explaining their knowledge. The structure of the examination papers at this level will be as follows:

Knowledge level

	Marks
Section A: 10 compulsory multiple choice questions, 2 marks each	20
Section B: 1 compulsory scenario question	20
Plus, any 3 out of 4 scenario questions, 20 marks each	<u>60</u>
	<u>100</u>

Time allowed: 3 hours, plus 15 minutes reading time

Questions at the **Application level** will provide students with relatively straightforward but realistic scenarios and supporting information asking them to prepare more technically complex outputs that are more focused on client requirements. The structure of the examination papers at this level will be as follows:

Application level

	Marks
Section A: 1 compulsory scenario question, 40 marks	40
Section B: Any 3 out of 4 scenario questions, 20 marks each	<u>60</u>
	<u>100</u>

Time allowed: 3 hours, plus 15 minutes reading time

Questions at the **Advisory level** will always begin with a scenario that is more challenging in terms of its business or other complexity with requirements that will be reported to a third party or supervisor that require analysis, critical comment, evaluation of alternatives and effective articulation. Often requirements will allow for higher level skills of evaluation, synthesis and judgement. Some requirements may contain issues that are not immediately apparent.

The structure of the examination papers at this level will be as follows:

Advisory level

	Marks
Section A: 1 compulsory scenario question, 40 marks	40
Section B: Any 3 out of 4 scenario questions, 20 marks each	<u>60</u>
	<u>100</u>

Time allowed: 3 hours, plus 15 minutes reading time

RULES AND REGULATIONS



4 Rules and Regulations

4.1 Number of subjects per examination sitting

Candidates are recommended to take a maximum of three (3) subjects per examination sitting.

4.2 Progression

A candidate who has one (1) outstanding subject at Knowledge or Application level shall be allowed to attempt a maximum of two subjects at the higher level.

A candidate who has two (2) outstanding subjects at Knowledge or Application level shall be allowed to attempt one subject only at the higher level.

A candidate who has three (3) outstanding subjects at Knowledge or Application level shall not be allowed to attempt any subject at the higher level.

However, should a candidate pass the subject(s) at the next level as provided for above, but still fails to clear the outstanding subject(s), he/she shall not be allowed to attempt any other subject(s) at the next level until he/she clears the outstanding subject(s).

A candidate shall attempt the compulsory subjects at Advisory level before attempting any Option route subjects.

A candidate with one (1) outstanding subject from the compulsory subjects at Advisory level shall be allowed to attempt the Option route subjects.

A candidate with two (2) outstanding subjects from the compulsory subjects at Advisory level shall be not allowed to attempt the Option route subjects.

A candidate who has not yet passed 1.1 Financial Accounting shall not be allowed to attempt 2.1 Financial Reporting.

A candidate who has not yet passed 1.2 Business Statistics shall not be allowed to attempt 2.2 Management Accounting and 2.5 Financial Management.

A candidate who has not yet passed 1.3 Business Economics shall not be allowed to attempt 2.2 Management Accounting and 2.5 Financial Management.

A candidate who has not yet passed 1.6 Business Communication shall not be allowed to attempt 2.2 Management Accounting and 2.3 Auditing Principles and Practice.

A candidate who has not yet passed 2.1 Financial Reporting shall not be allowed to attempt 3.1 Advanced Financial Reporting.

A candidate who has not yet passed 2.2 Management Accounting shall not be allowed to attempt 3.5 Advanced Management Accounting.

A candidate who has not yet passed 2.3 Auditing Principles and Practice shall not be allowed to attempt 3.2 Advanced Audit and Assurance and 3.7 Public Sector Audits and Assurance.

A candidate who has not yet passed 2.4 Taxation shall not be allowed to attempt 3.4 Advanced Taxation.

A candidate who has not yet passed 2.5 Financial Management shall not be allowed to attempt 3.6 Advanced Financial Management and 3.8 Public Sector Financial Management.

4.3 Exemptions

The Zambia Institute of Chartered Accountants subscribes to the principle of recognition of prior learning.

Students seeking exemptions must apply by completing the relevant sections in the student registration form.

All applications must be accompanied by certified copies of certificates and results transcript (academic record) issued by the relevant examining body. In addition, detailed syllabi for the subjects which form the basis for the application must also be submitted. Official translations should be provided where any of the documents referred to above is not in English.

The exemptions committee shall consider and grant exemptions to CA Zambia subjects on merit using the following criteria:

- (a) There is at least 80% content overlap between the subject for which the recognition is being applied and the one(s) which is/ (are) the basis for application.
- (b) The examining body that issued the qualification is recognised by the authorities in the country of origin.
- (c) The pass mark is at least 50%.
- (d) Tests and assignments do not exceed 40% of the final grade awarded.
- (e) The applicant has a Grade Twelve School Certificate or its equivalent with five (5) credits or better including Mathematics and English.

The decisions of the exemption committee shall be final and no appeal shall be allowed.

No exemptions shall be considered in the following circumstances:

- (a) Where an application is for a subject at the Advisory level of CA Zambia.
- (b) Where an application is based on non-certified learning.

Exemption fees are payable, equivalent to the ruling examinations fees for the subjects that have been applied for. Exemption fees are payable before attempting to write examinations.

It is recommended that, where candidates' study plan is dependent on the exemptions to be awarded, applications should be submitted before 31 January and 31 July for the June and December examinations respectively, to allow adequate time for processing. In those cases, candidates are advised to wait for a response before entering for any examinations.

Non-accounting qualifications will not attract exemptions in 1.1 Financial Accounting, 2.1 Financial Reporting, 2.2 Management Accounting, 2.3 Audit Principles and Practice, 2.4 Taxation and 2.5 Financial Management even if similar subjects are part of the syllabi for such qualifications.

4.4 Deferments

Students who wish to defer any examination shall make an application in writing.

Applications for deferment of examinations shall only be allowed on three conditions:

- (a) **Illness** – applications for deferment are only authorized where illness is supported by a certificate issued by a registered medical practitioner.
- (b) **Loss of an immediate family member** – applications are only authorized if the person who has died is the spouse, child, biological parent or direct guardian of the candidate. The application must be supported by the death certificate and burial permit for the family member who has died.
- (c) **Legal grounds** – applications for deferment are allowed for persons who are required to attend court sessions or to give evidence in courts of law at the same time as they are expected to sit an examination.

4.5 Remarking

A remarking service shall be available to aggrieved candidates who appeal against the published results. The remarking service shall be granted subject to the remarking guidelines as follows:

- (a) Only candidates who score between 35% and 49% inclusive will qualify to apply for remarking.
- (b) A candidate should have passed all except one paper at the session or the paper in which the candidate scored between 35% and 49% is the only paper remaining to complete a level.
- (c) The deadline for submission of application for remarking of scripts will be within one (1) month for all examinations after publication of results.
- (d) Remarking shall be done at a fee to be determined by Council from time to time.
- (e) All applications for remarking should be made in writing to the Secretary and Chief Executive and accompanied with receipt of payment for the remarking.
- (f) Once remarking has taken place the initial results shall be nullified and replaced by the results from the remarking process.
- (g) The Institute will notify the candidate about the corrections (if any) made to the results arising from remarking before certificates are issued.
- (h) The decision of ZiCA on remarking shall be final.

4.6 Script Verification

Script verification service shall be available to aggrieved candidates who appeal against the published results.

Script verification involves checking to ascertain that the marks appearing on the scripts were correctly captured onto the mark sheet and into the database.

Script verification is done at the discretion of the Institute upon receipt of a complaint.

Candidates applying for script verification will be required to pay a non-refundable fee as will be determined by Council from time to time.

The deadline for submission of application for script verification will be within one (1) month for all examinations after publication of results

4.7 Certification

A transcript of results will be awarded on completion of each level of the examination component of the CA Zambia Programme.

Upon successful completion and passing of the examinations for all levels and upon demonstration of achieving the competences through practical training, the Institute shall award the CA Zambia qualification to successful students. The Institute shall have the liberty to withdraw the award of the CA Zambia qualification if it has been proved that it was done so erroneously. There shall be no appeal against the withdrawal.

4.8 Examination Malpractices and Penalties

The types of malpractices and penalties are listed below:

Types of malpractice	Description of malpractice	Penalties
Premeditated cheating	Smuggling of unauthorised materials in the examination room, for instance pre-prepared answers, notes, electronic devices etc.	Nullify all the results for the affected candidate. In addition, candidate barred from writing ZiCA examinations for a period not exceeding two (2) years.
	Impersonation – cases where someone else writes an examination on behalf of the candidate.	Nullify all the results for the affected candidate. The impersonator and affected candidate should immediately be reported to Police for further proceedings. In addition, the affected candidate barred from writing ZiCA examinations for a period not exceeding two (2) years.
Assistance	Where a candidate is being assisted by someone in the institution to write an examination.	Nullify all the results. In addition, the candidate barred from writing ZiCA examinations for a period not exceeding two (2) years.
	Where a candidate submits two answer scripts with different hand writing	Nullify all the results. In addition, the candidate barred from writing ZiCA examinations for a period not exceeding two (2) years.
	Where a candidate submits two answer scripts with same hand writing	Give the candidate the lowest mark from the two scripts
Copying	Where one candidate copies from the other candidate in one subject/paper without the knowledge of the originator	Nullify the results in the affected subjects for the culprit
	Where one candidate copies from the originator who is not necessarily in collusion but is culpably negligent.	Nullify results for both in the affected subject.

Collusion	Where two candidates connive to copy from each other in one subject/paper	Nullify results in the affected subjects for both candidates
	Where two candidates have copied from each other in more than one subject/paper	Nullify results in all subjects for the affected candidates
	Where one candidate copies from the originator who is in collusion.	Nullify results in the affected subjects for both candidates
Widespread cheating	Where all candidates or a group of candidates at an examinations centre have similar answers	In all cases: <ul style="list-style-type: none"> • The first time – nullify results for all candidates in the affected subjects and warn the centre • The second time – nullify results for all candidates in the affected subjects and suspend the centre • The third time – nullify results for all candidates in the affected subjects and close the centre
Prior knowledge or leakage	Candidates having access to question papers prior to examination	Nullify all the results and candidate barred from writing ZiCA examinations for a period not exceeding two (2) years
Substitution	Where a candidate or someone else removes from the tamper evident envelope the script originally submitted by the candidate and replaces it with another done by the candidate or another person inside or outside the examination room, during or after the period of the examination.	Nullify all the results and candidate barred from writing ZiCA examinations for a period not exceeding two (2) years
Misconduct	Writing false personal details on the examination answer booklet	Nullify the results in the affected subject and caution the candidate
	Use of abusive language - where the candidate write insults to the examining body, to the lecturers, to the markers, etc.	Caution the candidate

COURSE STRUCTURE



5 Course Structure

5.1 Introduction

The syllabus aims to support the development of competent professionals capable of accepting the accounting and related responsibilities that business, government and regulatory authorities might demand of them. It seeks to develop the skills of accounting professionals in a measured way that reflects the values of public interest and a wider concern for the reputation and standards of a professional institute.

The syllabus is suited to those students working or seeking to work in the public or private sector, and in business and commerce. It facilitates advanced standing from candidates who qualify from recognised universities and meets the requirements of international bodies (IFAC), and international accounting and auditing standards.

The syllabus is comparable with modern standards employed by leading institutes across the world and reflects important characteristics of, and is designed to meet, specific business and government needs of Zambia.

5.2 Course Structure

In outline, the proposed qualification has four elements to it: a three-tier examination structure and an additional work experience requirement. This is outlined as:

Knowledge Level	Application Level	Advisory Level
1.1 Financial Accounting 1.2 Business Statistics 1.3 Business Economics 1.4 Commercial and Corporate Law 1.5 Management Theory and Practice 1.6 Business Communication	2.1 Financial Reporting 2.2 Management Accounting 2.3 Auditing principles and practice 2.4 Taxation 2.5 Financial Management	3.1 Advanced Financial Reporting 3.2 Advanced Audit and Assurance 3.3 Strategic Business Analysis Choose any one of the following routes: Public Practice Route 3.4 Advanced Taxation 3.7 Public Sector Audits and Assurance Business Route 3.5 Advanced Management Accounting 3.6 Advanced Financial Management Public Sector Route 3.7 Public Sector Audits and Assurance 3.8 Public Sector Financial Management
EVIDENCED WORK EXPERIENCE		

5.3 Levels

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

In a competency based framework these tasks are expressed in terms of skills achievement of students. Skill achievement is developed into learning outcomes that specifically identify for students what they need to do in detail in order to demonstrate that a skill has been acquired. These learning outcomes are then reflected in assessments to ensure that students evidence their acquisition of skills.

This approach is in accordance with IES2. IES2 describes what is involved in terms of 'proficiency' levels which demarcates skills between different levels of modern accounting qualifications

Levels and learning outcomes

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

5.3.1 Knowledge level

The Knowledge level provides a framework for learning which contains core skills that prepare students for advanced study. The structure is modular and does not restrict students to the order in which related assessments are undertaken. There are six syllabus modules. Further details of the subjects are shown in a table below:

1.1	Financial Accounting	<p>Content outline: Accounting is dealt with here primarily as a skill that supports the compilation of reliable financial accounts for sole traders, partnerships, companies and not for-profit entities. At this level accounting includes knowledge of the essential framework of assumptions that underpin reliable reporting.</p> <p>Progression to: Financial Reporting</p>
1.2	Business Statistics	<p>Content outline: Accountants use a range of quantitative techniques in accounting, performance management, financial decision-making, risk analysis and financial management, and this syllabus module provides a foundation to important analytical skills used on later studies. This syllabus module assesses the knowledge in a business and accounting context by identifying techniques that are likely to be useful to client or organisational needs either directly as an application of knowledge or indirectly as an important skill enhancement.</p> <p>Progression to: Financial Management and Management Accounting</p>
1.3	Business Economics	<p>Content outline: In performing the role accountants must understand the broader economic forces within which organisations function. This is specifically important for Zambia where particular industries play an important role, where there is a significant public sector, and in addition to a wide range of commercial activities. The fact that the Zambian economy is changing rapidly reinforces the relevance of study in this subject area.</p> <p>Progression to: Specifically to Financial Management and Management Accounting, and core knowledge thematic to the qualification</p>

1.4	Commercial and Corporate Law	<p>Content outline: Accountants are expected to have a sound understanding of the Zambian legal and regulatory environment. This particularly applies to laws affecting contracts, companies, partnerships, property, tort, governance, company finance and insolvency, and to other areas of important professional activity.</p> <p>Progression to: Core foundation knowledge thematic to the qualification</p>
1.5	Management Theory and Practice	<p>Content outline: An understanding of how organisations are managed and the challenges that management face, in both public and private sectors, is core knowledge for accountants acting as auditors and advisors, whether employed internally or appointed externally. Appreciating how managers make decisions and what knowledge areas they call-upon to tackle issues relating to motivation, incentives, strategy, HR, operations, leadership, and the shaping of organisational structure, in addition to understanding the financing and governance needs and processes, will define how accountants make relevant their advice and role in modern organisations.</p> <p>Progression to: Core foundation knowledge thematic to the qualification</p>
1.6	Business Communication	<p>Content outline: Accountants play a vital role in management and management decision-making. Business communication is concerned with how meaningful, reliable and accurate information supports management, organisation control and decision-making. Business communication takes an integrated approach by developing an awareness of data use and information generation from information technology and wider systems support.</p> <p>Progression to: Auditing Principles and Practice, and Management Accounting</p>

5.3.2 Application level

The Application level builds on the foundation of competences already achieved and takes students into a higher level where their skills are developed and expanded and put into context.

The emphasis is on competences being expressed in straightforward business situations. There is also a more rigorous development of knowledge in core subjects but used as a support to essential business and accounting skills. There are five syllabus modules:

2.1	Financial Reporting	<p>Progression from: Financial Accounting</p> <p>Content outline: In this module, accounting from the Knowledge level is developed in the context of more complex events and transactions with a greater emphasis on compliance with regulations including local and International Accounting Standards and generally accepted accounting practices. Students will be expected to demonstrate an understanding of and competence in financial statement analysis and analysis of choices in accounting treatments.</p> <p>Progression to: Advanced Financial Reporting</p>
2.2	Financial Management	<p>Progression from: Business Statistics and Business Economics</p> <p>Content outline: Financial management examines in context the basics of financing decisions, investment decisions and how financial risk management can be implemented. It also includes the basics of business valuations.</p> <p>Progression to: Advanced Financial Management, Public Sector Financial Management and Strategic Business Analysis</p>

2.3	Auditing Principles and Practice	<p>Progression from: New topic</p> <p>Content outline: Auditing Principles and Practice builds a firm foundation in the nature and purpose of both internal and external audit including modern risk based and systems based techniques, and basics of reporting internally and externally. There is an emphasis on knowledge of International Standards of Auditing and their application to straightforward situations requiring audit judgement.</p> <p>Progression to: Advanced Audit and Assurance and Public Sector Audits and Assurance</p>
2.4	Taxation	<p>Progression from: New topic</p> <p>Content outline: Professional accountants need to understand tax to support both compliance and accurate professional advice. The emphasis in this module is on a basic knowledge and application of Zambian tax legislation relating to employees, employers, trading and operating and local business activities in straightforward situations.</p> <p>Progression to: Advanced Taxation</p>
2.5	Management Accounting	<p>Progression from: Business Statistics</p> <p>Content outline: Management Accounting develops and deepens student capability providing information and decision support to management in operational and strategic contexts with a focus on linking costing, management accounting and quantitative methods to critical success factors and operational strategic objectives whether financial, operational or for a social purpose. Students will be expected to be capable of analysing financial and non-financial data and information to support management decisions.</p> <p>Progression to: Advanced Management Accounting and Strategic Business Analysis</p>

5.3.3 Advisory level

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

3.1	Advanced Financial Reporting	<p>Progression from: Financial Reporting</p> <p>Content outline: This module, in the context of both the private and public sectors, extends student knowledge of generally accepted accounting practices, deepens their understanding of financial reporting requirements and extends their competencies to apply Advanced accounting practices to complex situations. Students will be able to critically evaluate accounting alternatives, ensure compliance with generally accepted standards, and understand how reporting alternatives affect the results, financial position and risks disclosed by entities. Reporting extends student competencies to understanding organisation sustainability, corporate social responsibility reports and other financial reporting activities such as management commentaries.</p>
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3.2	Advanced Audit and Assurance	<p>Progression from: Auditing Principles and Practice</p> <p>Content outline: This module, in the context of both the private and public sectors, extends student knowledge of International Standards on Auditing and other regulatory requirements. Important issues of practice and engagement management will be dealt with which will enable students to provide advice on a wide range of audit and assurance assignments. Engagement planning, execution, and reporting remain the focus of the module and a deep engagement with ethical issues and appropriate behaviour will inform much of the development of student abilities as they apply their skills to a variety of complex audit and assurance problems.</p>
3.3	Strategic Business Analysis	<p>Progression from: Financial Management; Management Accounting</p> <p>Content outline: Strategic business analysis enables students to understand and apply tools and models to support the development and implementation of organisational strategies and to develop skills in strategic analysis, choice and implementation. Students will become competent in the use of management information to measure and monitor strategic performance. An important aspect of the module will be the incorporation of corporate finance considerations that will extend student capabilities to integrating strategy to financing and the complexities involved in financial choice to deepen understanding of investment decisions. Evaluating complex scenarios will be a feature of the module, based on complex data, financial and stakeholder analysis including making recommendations.</p>
3.4	Advanced Taxation	<p>Progression from: Taxation</p> <p>Content outline: The Advanced Taxation module develops further aspects of tax related competencies will allow students to ensure tax compliance and identify opportunities for tax planning, where appropriate. Both Zambian and further international dimensions of taxation will be considered with skills being developed from analysis and evaluation of complex scenarios. Students will be able to demonstrate skills of communication by conveying appropriate levels of advice to a wide range of clients.</p>
3.5	Advanced Management Accounting	<p>Progression from: Management Accounting and Business Economics</p> <p>Content outline: The module focuses on the management accountant as the responsible executive for performance management, monitoring and control. Many of the techniques of Management Accounting are relied-upon to support new perspectives, particularly with respect to risk management. Additional topics on human resources and information systems, as key elements in organisational change, are also included.</p>
3.6	Advanced Financial Management	<p>Progression from: Financial Management and Business Economics</p> <p>Content outline: Advanced Financial Management requires students to place into context finance with broader strategic aims. It looks at both financing and investment opportunities and allies it to a risk management framework that is essential for modern organisations. The module then considers the global context of business.</p>
3.7	Public Sector Audits and Assurance	<p>Progression from: Auditing Principles and Practice</p> <p>Content outline: The module is based on the INTOSAI Framework and standards and begins by describing the nature of auditing in the public sector and what effective auditing implies. It then goes on to investigate the three key areas of public sector audit: financial, performance and compliance.</p>

3.8

Public
Sector
Financial
Management

Progression from: Financial Management

Content outline: The nature of public sector finance, both revenue and expenditure, are identified in the context of managing public finances and expenditure. Specifically, the public sector budgeting framework and process is dealt with as are evaluations of major capital projects and their risk management.

DETAILED SYLLABUS



6 Detailed Syllabus

6.1 Knowledge Level Modules

1.1 Financial Accounting

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

- Explain the context and purpose of the preparation of accounting information for both public and private sector
- Record transactions and events and be proficient in the use of double entry to prepare and maintain financial records
- Make appropriate adjustments to financial records, including the identification and correction of accounting errors
- Prepare basic financial statements for sole traders, partnerships, companies and non-profit organisations.

Syllabus topics	Weighting (%)	LO
Accounting information for both public and private sectors	10	1, 2 and 3
Recording transactions and events	30	4 and 5
Adjusting financial records and statements	30	6 and 7
Preparing financial statements	30	8

Learning outcomes

L01: Explain the purpose of maintaining financial accounting records

L02: Define accounting concepts and financial records and identify appropriate sources of data

L03: Outline accounting systems in both public and private sectors

L04: Apply double-entry bookkeeping techniques to record financial transactions and to maintain accounting records

L05: Record accounting transactions and prepare a Trial Balance

L06: Identify and correct omissions and errors in accounting records and prepare a revised Trial Balance

L07: Prepare an extended Trial Balance

L08: Draft a complete financial statements for sole traders, partnerships, limited companies and not-for-profit organisations

(1) Explain context and purpose of preparation of accounting information for both public and private sector: L01, 2, 3

- (a) Explain the purpose of financial accounting
- (b) Identify the users of financial information
- (c) Describe the conceptual framework for accounting information
- (d) Identify the differences between public and private sector regulatory frameworks

(2) Recording transactions and events: L04, 5

- (a) Explain why it is important for an entity to maintain reliable financial records and prepare reliable financial statements

- (b) Identify the sources of data and information for compiling financial records and financial statements
- (c) Record and account for transactions and events, using double entry bookkeeping and books of prime entry, to support preparation of basic financial statements for sole traders, partnerships, limited companies and not-for-profit organisations in accordance with generally accepted accounting practice
- (d) Prepare a Trial Balance

(3) Adjustments to accounting records and financial statements: LO6, 7

- (a) Use of accounting systems to identify errors and discrepancies in accounting records and financial statements, including reconciliation procedures
- (b) Perform bank reconciliations to agree cash balances
- (c) Record correcting entries to accounting records for errors and omissions including stating their effect on the financial statements using suspense accounts and control accounts, control account reconciliations, and other techniques including those situations where there are incomplete financial records.
- (d) Record and describe correcting entries and approved changes in a journal and in draft financial statements
- (e) Prepare an extended trial balance to support financial statement compilation

(4) Compiling financial statements: LO8

- (a) Explain the purpose, nature and relationships between the statements of profit or loss, changes in equity, financial position, and cash flows.
- (b) Explain the purpose, nature and relationships between the statements used for public sector organisations
- (c) Prepare financial statements and basic supporting notes including the income statement, statement of financial position and cash flow statement for sole traders, partnerships, limited companies and not for profit entities

Required knowledge – Accounting Standards

The technical appendix details the depth of treatment of required knowledge and the progression of competence over the levels in the qualification.

1.2 Business Statistics

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

- Understand the business and organisational need for data analysis
- Summarise and categorise business and organisational data
- Apply statistical techniques accurately

Syllabus topic	Weighting (%)	LO
Business and organisational data requirements	10	1
Presenting business and organisational data	50	2 and 3
Statistical techniques	40	4

Learning outcomes

LO1: Explain data needs of business and organisations

LO2: Explain key statistical concepts used in business and organisational problems

LO3: Apply methods of data collection and presentation in simple organisational related situations

LO4: Apply statistical techniques to organisational problems

(1) Understand and explain the business and organisational need for data analysis: LO1

- (a) Identify data analysis needs in organisations
- (b) Identify sources of data and explain the usefulness of data analysis in organisations
- (c) Explain the limitations of data analysis and the importance of data interpretation and evaluation

(2) Summarise and categorise business and organisational data: LO2, 3, 4

- (a) Apply key statistical concepts used in business and organisations using measures of central tendency:
 - (i) The concept of averages
 - (ii) The arithmetic mean
 - (iii) The median
 - (iv) The mode
 - (v) Quartiles
- (b) Apply key statistical concepts of dispersion used in business and organisations using:
 - (i) Range
 - (ii) Mean deviation
 - (iii) Quartile deviation
 - (iv) Standard deviation
 - (v) Variance
- (c) Prepare exploratory data analysis, both visual and numerical, using descriptive statistical analysis
- (d) Interpret the results of exploratory data analysis and report effectively on the analysis

(3) Apply statistical techniques to organisational problems: L04

- (a) Apply statistical methods of financial and operational forecasting, using
 - (i) Scatter diagrams, correlation coefficients, coefficient of determination
 - (ii) Time series
 - (iii) Trend, seasonal variations, cyclical variations and random variations
 - (iv) Moving averages
 - (v) Forecasting
- (b) Apply probability based techniques to business and organisational problems using:
 - (i) Basic rules of probability
 - (ii) Mutually exclusive, independent and conditional probability
 - (iii) Expected values
 - (iv) Tree diagrams
 - (v) The normal distribution
- (c) Interpret the results of statistical methods

1.3 Business Economics

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

- Explain the functioning of the Zambian economic system
- Explain the functioning markets and how businesses operate within those markets
- Explain the functioning of the international financial system

Syllabus topics	Weighting (%)	LO
The Zambian economic system	30	1, 2, 3 and 4
The functioning of domestic markets	50	5, 6 and 7
The functioning of the international financial system	20	8

Learning outcomes

L01: Provide an overview of the Zambian economic system including evolution and structure

L02: Describe the Zambian business environment, identifying important sectors

L03: Describe basic activities of commercial banks

L04: Explain the role of key public sector bodies in the management of the economy and markets

L05: Describe the functioning of markets and the role of regulation of markets

L06: Describe how businesses operate within different market structures

L07: Explain the theories of short and long run cost behaviour and profit maximisation

L08: Identify the impact on Zambia of the international sector and of major national and international economic institutions

(1) Explain the functioning of the Zambian economic system: L01, 2, 3, 4

(a) Explain the key features of the Zambian economy, including the

- History of the development of the Zambian economy
- Key economic sectors, markets, products and services
- A description of key public bodies affecting the Zambian economy
- Operations of a commercial banking system
- Operations of a central banking system
- The Zambian public financial management system

(b) Outline how the Zambian economy is managed

- The key economic forces impacting business (inflation, government debt, balance of payments)
- Economic policies and management (fiscal, monetary and interest rate policy)
- Economic tools used to manage the economy
- The consequences of economic policy for business

(2) Explain the functioning of domestic markets and how businesses operate within those markets: L05, 6, 7

(a) Explain the functioning of a market, including

- The operation of supply, demand, and equilibrium pricing
- Identifying markets exhibiting price instability and how this is managed
- Market failure and regulation

- (b) Describe the operations of different market types, including
 - (i) Perfect competition
 - (ii) Different form of imperfect competition
 - (iii) Market interventions
- (c) Explain business organisation as an economic entity, including
 - (i) Cost behaviour in both the short and long run
 - (ii) Profit maximisation
- (d) Outline how businesses engage with markets
 - (i) Pricing policy
 - (ii) Strategic policies

Note. Described only at a high level to indicate that there are non-price factors to consider.

(3) Explain the functioning of the international financial system

- (a) Explain theories of international trade, including
 - (i) How free trade operates and impacts on the economy
 - (ii) The role and forms of protectionism
 - (iii) International trade unions
- (b) Explain how balance of trade and payments operate, including
 - (i) Characteristics of Zambian trade
 - (ii) Trade deficits and deficit financing
 - (iii) Exchange rate determination and intervention policies
- (c) Describe the role of key international trade and financial institutions, including
 - (i) World Bank
 - (ii) IMF
 - (iii) Aid organisations and development funding

1.4 Commercial and Corporate Law

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

- Outline the Zambian legal framework and sources of Zambian law
- Apply the law relating to contractual obligations
- Apply law relating to sales of goods
- Apply law relating to employment
- Apply law relating to principal/agent relationships
- Apply the law of tort
- Describe the legal responsibilities relating to business organisations

Syllabus topics	Weighting (%)	LO
The Zambian legal framework	5	1
Contractual obligations	25	2
Sales of goods	5	3
Employment	5	4
Principal/agent relationships	5	5
The law of tort	5	6
The legal responsibilities relating to business organisations	50	7 and 8

Learning outcomes

LO1: Outline the essential elements of the Zambian legal framework and sources of Zambian law

LO2: Apply the law relating to contractual obligations

LO3: Apply law relating to sales of goods

LO4: Apply law relating to employment

LO5: Apply law relating to principal/agent relationships

LO6: Apply the law of tort

LO7: Explain the legal responsibilities relating to incorporation

LO8: Explain the legal responsibilities relating to partnerships

(1) Outline the Zambian legal framework and sources of Zambian law, identifying:

- (a) The constitution as a primary source of law
- (b) Legislation and the interpretation of statutory law
- (c) Case law and the court structure
- (d) The reception of common law, equity and English statutes in Zambia
- (e) Distinction between criminal and civil liability

(2) Apply the law relating to contractual obligations, identifying:

- (a) The essential elements of a valid contract
- (b) The terms and conditions of a contract
- (c) Misrepresentation as a vitiating factor
- (d) Discharge or termination of contract
- (e) Various remedies under the law of contract

(3) Apply law relating to sales of goods, identifying:

- (a) Definitions, conditions and warranties
- (b) Transfer of property, risk and title to the goods

(4) Apply law relating to employment, identifying:

- (a) Distinction between contract of service and contract for services
- (b) Types of employment contracts under the Employment Act, Chapter 268 of the Laws of Zambia
- (c) Vicarious liability
- (d) Dismissal and redundancy

(5) Apply law relating to principal/agent relationships, identifying:

- (a) Establishment of the agent/principal relationship
- (b) Authority of an agent
- (c) Rights and duties of both the agent and the principal
- (d) Termination of agent/principal relationship

(6) Apply the law of tort, identifying:

- (a) Definition of a tort
- (b) Elements of negligence
- (c) Professional negligence
- (d) Defences and remedies available under the law of tort

(7) Describe the legal responsibilities relating to business organisations

- (a) Describe the legal formation of different type of companies
- (b) Describe the financing of companies, including
 - (i) Share capital
 - (ii) Loan capital
 - (iii) The importance of capital maintenance
- (c) Describe the management, administration and governance of companies, including
 - (i) The role of company directors
 - (ii) Meetings and resolutions
 - (iii) Officers of the company
 - (iv) Corporate governance structures
- (d) Describe the process of corporate insolvency
- (e) Describe the legal formation of partnerships and different types of partners
- (f) Outline the rights and duties of partnerships
- (g) Describe the process of partnership dissolution
- (h) Describe the key aspects of limited liability partnerships
 - (i) Describe the key aspects of insolvency
 - (ii) Describe the responsibilities that business organisations have with respect to money laundering
- (i) Describe the responsibilities that business organisations have with respect to environment protection and sustainability.

1.5 Management Theory and Practice

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

- Describe the structure and purpose of organisations
- Describe the business environment and the role and activities that management determine for the organisation within that environment
- Explain the roles of governance and ethics in relation to the management of organisations
- Explain the role of managers and theories of management in both the public and private sector

Syllabus topics	Weighting (%)	LO
Structure and purpose of organisations	15	1, 2 and 3
The business environment	20	4, 5, 6, 7 and 8
Governance and ethics	20	9
The role of managers in the public and private sector	45	10, 11, 12, 13 and 14

Learning outcomes

- L01: Identify the objectives that managers set for organisations
- L02: Describe the benefits of the structure of different types of organisations
- L03: Identify the factors that give rise to managerial choice of organisation type and structure
- L04: Describe the strategic environment that business operate within
- L05: Describe the business planning process that support management decisions
- L06: Explain the managerial control relationship between business plans and activities
- L07: Describe key organisational behaviours
- L08: Explain the basic elements of business analysis
- L09: Explain the role of governance and ethics within organisations and related managerial responsibilities
- L010: Explain the role of the manager and the principles of management
- L011: Outline leadership theories and styles
- L012: Specify how management can use motivation
- L013: Explain the different types of organisational change
- L014: Outline how management can achieve change

(1) Describe the structure and purpose of organisations: LO1, 2, 3

- (a) Describe the objectives for profit organisations, including:
 - (i) Limited companies
 - (ii) Sole traders
 - (iii) Partnerships
 - (iv) Alliances
- (b) Describe the key financial and non-financial objectives for profit and not for profit organisations, including:
 - (i) Government
 - (ii) NGOs
- (c) Identify and outline the role and impact of stakeholders
- (d) Describe the benefits and limitations of organisational choice and form, including:
 - (i) Centralisation
 - (ii) Decentralisation
 - (iii) Matrix and mixed structures
 - (iv) Networks
 - (v) Virtual arrangements

(2) Analyse the business environment and the role and activities that management determine for the organisation within that environment

- (a) Describe the environment that business operate within, including:
 - (i) Globalisation
 - (ii) International business
 - (iii) Macro-economic environment
 - (iv) National regulatory environment
 - (v) Micro-economic environment
 - (vi) Markets and industries
- (b) Demonstrate how management position the organisation to meet its objectives, including specification of the business planning processes in terms of:
 - (i) Basics and relationships of strategic vision, mission, values and objectives
 - (ii) The relationship between strategic , business and operational plans
 - (iii) Basics of strategic plan development
- (c) Explain the relationship between business plans and activities, including:
 - (i) The relationships between business functions, activities and processes and their support for achieving business objectives
 - (ii) The relationship between entity and functional strategies
- (d) State and describe key organisational behaviours
 - (i) Formal and informal organisation
 - (ii) Culture
 - (iii) Leadership and management
 - (iv) Individual and group behaviour in organisations
 - (v) Team formation, development and management
 - (vi) Motivation of management and employees

(3) Explain the roles of governance and ethics in relation to the management of organisations

- (a) Outline governance structures and key governance roles
- (b) Describe the principles of corporate governance
- (c) Outline key ethical principles
- (d) Explain the impact that good governance and good ethical frameworks have on organisational behaviour

(4) Demonstrate an understanding of the role of managers and theories of management in both the public and private sector

- (a) Explain the role of the manager and the principles of management, outlining:
 - (i) Key management skills
 - (ii) Key theories of management
- (b) Outline leadership theories and styles, including:
 - (i) The difference between management and leadership
 - (ii) Theories of leadership
 - (iii) The nature and uses of different styles of leadership
 - (iv) The uses, benefits and obstacles to delegation
 - (v) How leadership can be adapted to organisational purpose and form
- (c) Specify how management can use motivation, including:
 - (i) Theories of motivation
 - (ii) Nature and process of motivation
 - (iii) Personal achievement and career development
 - (iv) Role of job design in motivation
 - (v) Motivation in the public sector and other non-profit organisations
 - (vi) Ethical issues in relation to motivation
- (d) Explain the different types of organisational change
- (e) Outline how management can achieve change, including:
 - (i) Strategic change
 - (ii) Impact of change triggers on the organisation
 - (iii) Techniques of managing change
 - (iv) Role of leadership in managing change
 - (v) Techniques for overcoming resistance
 - (vi) Relationship between change process and organisational culture
 - (vii) Change management in the public sector
 - (viii) Ethical issues in relation to change management

1.6 Business Communication

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

- Demonstrate an understanding of the framework of organisation information infrastructures
- Show appreciation of communication principles and be able to use core communication processes
- Explain IT control environments

Syllabus topics	Weighting (%)	LO
Organisation information infrastructures	30	1, 2, 3 and 4
Principles of communication	40	5, 6 and 7
Controlling IT environments	30	8, 9 and 10

Learning outcomes

- L01: Describe organisational information structures
- L02: Distinguish the nature of data, information and knowledge
- L03: Explain the main information technologies that support modern information system
- L04: Explain the main information systems used by entities
- L05: Describe the core processing skills in using information infrastructures
- L06: Outline the attributes of clear, effective and appropriate communication
- L07: Explain how effective communications can support business decisions identifying how communication methods improve organisational understanding
- L08: Explain the main risks to the reliability of data and information and how these may be managed and controlled operationally and through management of systems and technology including development of new systems
- L09: Explain the key IT general controls in a business
- L010: Explain the key IT application controls in a business

(1) Demonstrate an understanding of the framework of organisation information infrastructures: LO1, 2, 3, 4

- (a) Describe organisational information structures, including:
- (i) Main elements of an organisation's information system
 - (ii) Types of accounting information systems and their roles
- (b) Describe the principle forms of communication used in organisations
- (c) Explain and distinguish the nature of data, information and knowledge
- (d) Identify and explain the main information technologies that support modern information system, including:
- (i) The nature of the information framework and support systems used by entities
 - (ii) The types of hardware and software used within a business organisation
 - (iii) The role of databases within an accounting information system and common types of data processing

(2) Show appreciation of communication principles and be able to use core communication processes: L05, 6, 7

- (a) Describe the core processing skills in using information infrastructures, including:
 - (i) Basic skills involved in operating a PC including Microsoft Windows, email and the Internet
 - (ii) Basic skills involved in operating word processing and spreadsheet software
 - (iii) The importance of password control
- (b) Outline the attributes of clear, effective and appropriate communication, including:
 - (i) Presentation of information using a variety of methods including business reports, business letters, memos and emails
 - (ii) Other methods of presenting information including tables, bar charts, pie charts and line graphs
- (c) Demonstrate, using a given scenario, how to effectively respond to communications

(3) Explain the nature of IT control environments to support business information integrity L08, 9, 10

- (a) Identify and explain the main risks to the reliability of data and information and how these may be managed and controlled operationally and through management of systems and technology including development of new systems
- (b) Outline the framework for communications security, including IT
- (c) Explain the key IT general controls in a business, including:
 - (i) Controls over networks
 - (ii) Software acquisition, development, change and maintenance
 - (iii) Access security.
 - (iv) Physical security of assets
 - (v) Authorisation for access
 - (vi) Segregation of the system personnel duties
- (d) Explain and evaluate the key IT application controls in a business, including:
 - (i) Completeness
 - (ii) Validity
 - (iii) Identification
 - (iv) Authentication
 - (v) Authorisation
 - (vi) Input controls

6.2 Application level

2.1 Financial Reporting

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

- Understand the regulatory requirements for financial accounting and explain the core concepts of accounts preparation
- Prepare single entity financial statements
- Prepare consolidated financial statements
- Undertake financial appraisals

Syllabus topics	Weighting (%)	LO
The regulatory and ethical requirements for financial accounting and the core concepts of accounts preparation	20	1 and 2
Single entity financial statements	25	3
Consolidated financial statements	25	4
Financial appraisals	30	5 and 6

Learning outcomes

LO1: Explain key accounting preparation and reporting concepts for both public and private sector organisations

LO2: Explain the key components of financial statements and their purpose

LO3: Draft financial statements for a single entity in accordance with relevant financial practice

LO4: Draft financial statements for a combined entity in accordance with relevant financial practice

LO5: Calculate and evaluate key financial ratios

LO6: Evaluate the appropriateness of accounting choice in accordance with Generally Accepted Accounting Practice

(1) Accounting and reporting concepts, frameworks and practices: LO1, 2

- (a) Explain the importance of a regulatory framework for financial reporting
- (b) Explain the objectives and limitations of financial statements using appropriate examples or using a given scenario
- (c) Explain the qualitative characteristics of financial statement disclosures
- (d) Present the financial effects of accounting for events and transactions under the IASB Conceptual Framework
- (e) Explain the differences between financial statements prepared using accruals and cash bases
- (f) Explain the break up basis of accounting
- (g) Explain to professional accountants or general users the different bases of measurement of capital and capital maintenance that may be used under accruals based accounting
- (h) Explain the meaning of true and fair or fairly presented in relation to financial reporting

(2) Preparing single entity and single company financial statements: LO3

- (a) State the circumstances in which public or private sector entities are required to prepare and present statutory financial statements
- (b) State the laws, regulations accounting standards and other requirements that govern the production of financial statements by such entities
- (c) Compile financial statements for single entities, or extracts from them, in accordance with its chosen policies and, where relevant, in accordance with IFRS
- (d) Compile financial statements for branches, or extracts from them, in accordance with its chosen policies and, where relevant, in accordance with IFRS
- (e) Assess the circumstances in which the use of IFRS for companies and IPSAS for public sector entities may be required

(3) Preparing consolidated and other joint arrangement financial statements: LO4

- (a) State the circumstances in which entities are required to prepare and present statutory consolidated financial statements
- (b) State the laws, regulations and other requirements that govern the production of consolidated financial statements by entities
- (c) Identify from data provided whether an entity is a subsidiary or associate in accordance with the international financial reporting framework and local law
- (d) Calculate the figures to be included in consolidated financial statements for subsidiaries and associates in respect of an acquisition, continuing ownership or for simple disposals
- (e) Compile the consolidated financial statements, including statements of cash flows, or extracts of them in accordance with selected accounting policies and the requirements of IFRS
- (f) Compile financial statements for joint arrangements.

(4) Financial statement analysis and evaluation: LO5, 6

- (a) Calculate basic financial ratios and assess the financial results and position of a single entity.
- (b) Evaluate the appropriateness of chosen accounting policies with regard to compliance with Generally Accepted Accounting Practice
- (c) Interpret the performance, position and prospects of an entity using financial information.

Required knowledge – Accounting Standards

The technical appendix details the depth of treatment of required knowledge and the progression of competence over the levels in the qualification.

2.2 Management Accounting

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

- Apply costing techniques
- Explain management information and reporting requirements for both public and private sector organisations
- Apply techniques to support decision making
- Apply managerial budgetary control systems
- Determine prices for products and services using cost and other information and advise on product pricing

Syllabus topics	Weighting (%)	LO
Management information and reporting	20	1 and 2
Costing techniques	20	3 and 4
Decision making	20	5, 6 and 7
Budgeting	20	8, 9 and 10
Product and service pricing and budgetary control	20	11–15

Learning outcomes

LO1: Explain the scope of management accounting for private and public sector organisations

LO2: Identify the general framework of information that management accounting will use to support decision making

LO3: Explain cost classification and cost behaviour

LO4: Select and apply appropriate costing methods

LO5: Select, apply and evaluate measures to optimise decisions over a range of organisational problems

LO6: Address how organisations can incorporate risk and uncertainty into decision making

LO7: Identify the role of non-financial issues in decision making

LO8: Explain how budgeting frameworks match performance objectives

LO9: Describe the budget creation process and explain some of the difficulties that may be encountered in this task

LO10: Evaluate the different types of budgets that may be employed in organisations

LO11: Calculate product and service prices using a range of costing methods

LO12: Prepare and present performance management reports

LO13: Apply flexed budgeting techniques

LO14: Demonstrate budgetary control using variance reports and advise management on the outcomes of variance analysis

LO15: Advise management upon suitable pricing strategies

(1) Management information and reporting: LO1, 2

- (a) Explain the differences in approach to management accounting between profit, non-profit, government and government-related bodies
- (b) Explain the role of management accounting to meet the needs of wider stakeholders, particularly in relation to sustainability
- (c) Identify costs and their classification, explaining the differences between variable and fixed costs
- (d) Outline the nature of budgeting and responsibility accounting
- (e) Describe the problem of overheads and outline allocation methods
- (f) Explain the problem of public service provision where costs are hard to measure, where cost behaviour is not always exact, and where operational or non-financial factors are often priorities

(2) Costing: LO3, 4

- (a) Explain cost classification, paying attention to cost objects, cost accumulation, and manufacturing cost elements
- (b) Explain the different types of cost behaviour
- (c) Explain and apply different costing methods including job and batch costing, contract costing, service costing, and process costing
- (d) Apply costing methods to problems using materials and labour data, paying attention to inventory valuation methods, inventory control techniques, and remuneration and incentive schemes

(3) Decision making: LO5, 6, 7

- (a) Calculate cost volume profit analyses and break even analyses based on a given business and given data and information using both numerical and graphical techniques evaluating the results and advising on management action including single and multiple product decisions
- (b) Select relevant cost bases based on given data and information, evaluating the results and advising on management action
- (c) Explain how non-financial issues inform decision making
- (d) Select relevant limiting factors for a scarce resource or resources in a given business scenario applying a relevant technique given business objectives including make or buy decisions

(4) Budgeting: LO8, 9, 10

- (a) Explain the appropriateness of the budgeting frameworks that might be employed in organisations to suit performance objectives
- (b) Explain the budget creation process and the importance of forecasting,
- (c) Explain the information needs to support budgets and the limitations of budgets in the face of difficult-to-measure and non-quantifiable factors
- (d) Identify the behavioural implications of budgeting and budgetary control

- (e) Specify the types of budgets that might be employed in organisations, including:
 - (i) Fixed and flexed
 - (ii) Zero based
 - (iii) Activity based
 - (iv) Rolling budgets
 - (v) Functional
 - (vi) Master

(5) Product, service pricing and budgetary control: LO11, 12, 13, 14, 15

- (a) Calculate the optimum selling price for a product or service using given data and information for a given business and advising management, using:
 - (i) Absorption costing
 - (ii) Marginal costing
 - (iii) Activity based costing
 - (iv) Standard costing
- (b) Apply flexed budgeting techniques to a given scenario
- (c) Calculate, using given information, and advise management on the implications of and actions required based on variances, including:
 - (i) Sales, price and volume variances
 - (ii) Materials use and price variances
 - (iii) Variable overhead expenditure and efficiency variances
 - (iv) Fixed overhead volume, capacity and efficiency variances
 - (v) Material mix and yield variances
 - (vi) Sales mix and quantity variances
 - (vii) Planning and operational variances
- (d) Calculate performance management reports that reconcile actual and budgeted results
- (e) Advise management upon suitable pricing strategies for a given business based on a given business scenario and given business objectives, including:
 - (i) Cost plus pricing
 - (ii) Marginal cost pricing
 - (iii) Target pricing
 - (iv) Life cycle pricing
 - (v) Backflush accounting

2.3 Auditing Principles and Practice

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

- Explain the purpose of audit and assurance and the regulatory and professional requirements and practices involved in accepting and undertaking auditing or assurance engagements
- Explain and work with governance structures and ethical frameworks within organisations
- Evaluate what is needed to plan for, execute, and to report on auditing and assurance engagements

Syllabus topics	Weighting (%)	LO
Purpose, regulatory and professional requirements of auditing or assurance engagements	20	1, 2 and 3
Governance and control structures, and ethical frameworks within organisations	20	4, 5, 6 and 7
Planning auditing and assurance engagements	20	8 and 9
Applying the techniques of auditing and assurance engagements	20	10, 11 and 12
Reporting on auditing and assurance engagements	20	13

Learning outcomes

LO1: Explain key audit and assurance concepts and the role of audit and assurance in relation to organisations

LO2: Explain audit and assurance regulatory requirements

LO3: Explain the nature of levels of assurance and the key processes involved

LO4: Explain the nature of governance and governance structures that support effective control environments

LO5: Explain how governance is supported by effective control structures

LO6: Explain the business, reporting and compliance objectives supported by internal controls

LO7: Explain what is meant by professional ethics and how they can help resolve ethical dilemmas

LO8: Explain the key components of effectively planned audit and assurance engagements

LO9: Evaluate internal controls

LO10: Evaluate the quality of audit evidence

LO11: Apply appropriate procedures to gather evidence

LO12: Evaluate the results of evidence

LO13: Report appropriately on audit and assurance assignments

(1) Purpose, regulatory and professional requirements of auditing or assurance engagements: LO1, 2, 3

- Explain the concepts of audit and assurance
- Explain the reasons for and the benefits gained from the different types of audit and assurance assignments including those relating to financial statements, internal controls, corporate social responsibility, forensic audit engagements, and sustainability reports
- Explain using suitable comparisons the different levels of assurance that may be obtained from assignments

- (d) Explain the meaning of public interest and the need for professional scepticism in carrying out assurance engagements
- (e) Explain the meaning of reasonable assurance
- (f) Explain the meaning of an opinion and an assurance report
- (g) Explain audit and assurance regulatory requirements
- (h) Explain the basic steps or components of an audit and assurance process, including:
 - (i) The approach, obtaining assignments and nomination
 - (ii) Accepting an engagement
 - (iii) Appointment
 - (iv) Scope of work
 - (v) Risk and risk assessment
 - (vi) Different approaches
 - (vii) Planning
 - (viii) Performance
 - (ix) Concluding and considering an appropriate report
 - (x) Reporting
 - (xi) Records and working papers

(2) Governance and control structures, and ethical frameworks within organisations: LO4, 5, 6, 7

- (a) Explain the role and responsibilities of an effective board and management structure within an organisation and the responsibility relationship to stakeholders
- (b) Explain the framework of accountability of management to a board
- (c) Explain issues that challenge good governance structures, including:
 - (i) Transparency
 - (ii) Separation of authority
 - (iii) Lack of experience
 - (iv) Under-developed governance practices in new and/or small organisations
- (d) Explain the importance of probity as a principle of governance assessing issues and their implications
- (e) Explain the nature of internal financial controls and internal controls
- (f) Explain the meaning of effective internal financial controls and internal controls
- (g) Explain what is meant by professional ethics and how they can help resolve ethical dilemmas, including:
 - (i) Explain the importance of professional ethics
 - (ii) Explain the differences between rules based and principles based approaches to professional ethics
 - (iii) Explain in context the meaning of public interest
 - (iv) Explain ethical issues based on the IFAC code
 - (v) Select suitable actions to deal with ethical dilemmas
 - (vi) Explain in context the fundamental ethical principles
 - (vii) Explain in context the ethical threats and safeguards
 - (viii) Explain in context ethical conflicts as an employee and as a practising accountant

(3) Planning auditing and assurance engagements: LO8, 9

- (a) Plan audit and assurance engagements, applying professional scepticism, and paying attention to:
 - (i) Audit risk
 - (ii) Risk assessment
 - (iii) Materiality
 - (iv) Levels of reasonable assurance
 - (v) The characteristics of fraud and error and the distinction between them
- (b) Explain the business, reporting and compliance objectives supported by internal controls
- (c) Explain the different types of internal control with emphasis on internal financial controls
- (d) Explain the main components of internal control including, the control environment, risk assessment, control activities, information and communication and monitoring activities
- (e) Explain how accounting systems and related internal controls may be identified, recorded and evaluated, paying attention to:
 - (i) IT general controls in a business, including controls over networks; software acquisition, development, change and maintenance; access security; physical security of assets; authorisation for access; segregation of the system personnel duties.
 - (ii) Key IT application controls in a business, including completeness, validity, identification, authentication, authorisation, input controls
- (f) Explain the limitations of internal controls
- (g) Evaluate internal controls in a scenario stating how the controls support particular aspects of reliable financial reporting and support the prevention and detection of fraud and error
- (h) Evaluate internal control weaknesses in a given scenario explaining how these may be rectified

(4) Applying the techniques of auditing and assurance engagements: LO10, 11, 12

- (a) Evaluate the quality of audit evidence, paying attention to:
 - (i) Obtaining evidence
 - (ii) Testing and other work
 - (iii) Using the work of internal audit
- (b) Explain the different sources and quality of evidence and the methods of obtaining evidence including documenting and assessing systems and controls, tests of controls, substantive tests and analytical procedures
- (c) Explain appropriate procedures to gather evidence including all of the above sources and procedures based upon a given scenario, paying attention to:
 - (i) Accounting estimates
 - (ii) Auditing sampling
 - (iii) Audit areas relating to:
 - Tangible non-current assets
 - Inventory
 - Receivables
 - Cash and bank
 - Liabilities and capital
- (d) Evaluate results, paying attention to:
 - (i) Subsequent events
 - (ii) Going concern
 - (iii) Written representations
 - (iv) Overall evaluation

(5) Reporting on auditing and assurance engagements: LO13

- (a) Evaluate based on a given scenario including information regarding evidence obtained whether that evidence is sufficient to provide an appropriate basis for a given opinion or report
- (b) Identify the circumstances where written representations may be required stating how reliable such evidence may be
- (c) Evaluate the circumstances where matters need to be raised with a senior assurance team member and how this should be communicated and documented
- (d) Report appropriately on audit and assurance assignments

Technical knowledge requirements – International Standards on Auditing

The technical appendix details the depth of treatment of required technical knowledge and the progression of competence over the levels in the qualification.

2.4 Taxation

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

- Describe the principles and role of taxation
- Calculate tax liabilities for individuals, businesses and companies
- Explain the administrative procedures for direct taxes
- Calculate and account for VAT and Customs and Excise Duties
- Identify and respond appropriately to ethical issues arising in the course of performing tax work

Syllabus topics	Weighting (%)	LO
Tax principles and purpose	10	1
Taxation liabilities for individuals, businesses and companies	50	2, 3, 4, 5, 6 and 7
Administrative procedures for direct taxes	10	8
VAT and Customs and Excise	20	9 and 10
Ethical issues arising in the course of performing tax work	10	11

Learning outcomes

- LO1: Describe the principles of taxation and explain the role of taxation in the economy
- LO2: Calculate taxable income for unincorporated businesses and compute income tax payable thereon
- LO3: Calculate Income Tax payable on emoluments from employment and advise on how it is paid under the Pay As You Earn system
- LO4: Calculate taxable income from letting of property and calculate withholding tax on all investment income
- LO5: Calculate company income tax payable and explain how it is payable
- LO6: Calculate taxable profits from farming and compute income tax payable on farming and fishing income
- LO7: Explain the treatment of transfers of value and calculate Property Transfer Tax payable
- LO8: Explain the administrative procedures for direct taxes, including objections and appeals procedure
- LO9: Calculate and account for Value Added Tax on all types of supply
- LO10: Calculate Customs and Excise duties and advise on the clearing procedure for motor vehicles
- LO11: Explain and apply appropriate ethical standards to taxation practice

(1) Tax principles and purpose: LO1

- (a) Explain the nature of taxation and the purpose of taxation in Zambia, dealing specifically with:
- (i) The Zambian system of tax
 - (ii) Qualities of a good tax system
 - (iii) Function of taxation in the economy
 - (iv) The role of the Ministry of Finance and the Zambia Revenue Authority
 - (v) Classification of taxes
 - (vi) Taxable and exempt income and gains
 - (vii) Taxable and exempt persons
 - (viii) Residence, ordinary residence and domicile and their implications for taxation

(2) Taxation liabilities for individuals, businesses and companies: L02-7

- (a) Calculate tax liabilities of unincorporated businesses, dealing specifically with:
 - (i) Trades, professions and vocations and badges of trade
 - (ii) Taxable business profits for individual sole traders
 - (iii) Capital allowances on implements, plant and machinery, industrial buildings and commercial building
 - (iv) Taxable profits for partnerships and allocation to individual partners
 - (v) Accounting dates and basis of assessment, including rules applicable on commencement, cessation and change of accounting date
 - (vi) Income tax on business profits for sole traders and partners
 - (vii) Relief for trading losses
 - (viii) Presumptive taxes
- (b) Calculate taxation of income from employment, dealing specifically with:
 - (i) Emoluments, employment and office
 - (ii) Employment compared with self-employment
 - (iii) Basis of assessment for emoluments
 - (iv) Taxable and exempt emoluments
 - (v) Taxation of benefits in kind
 - (vi) Allowable expenses
 - (vii) Operation of Pay as You Earn system
- (c) Calculate taxation of investment income received by individuals, dealing specifically with:
 - (i) Types of investment for individuals and companies
 - (ii) The withholding tax system
 - (iii) Taxable income from letting of property and loss relief
 - (iv) Treatment of income from savings and financial investments
 - (v) Treatment of dividends received from Zambian companies
- (d) Calculate taxation of company income, dealing specifically with:
 - (i) Residence of a company for income tax purposes
 - (ii) Business profits for companies
 - (iii) Investment income received by companies
 - (iv) Payment of income tax
 - (v) Relief for losses incurred by companies
 - (vi) Taxation of mining operations
 - (vii) Overseas aspects of Income tax and company tax
 - (viii) Taxation of group companies
- (e) Calculate taxation of farming enterprises, dealing specifically with:
 - (i) Characteristics of farming and fishing enterprises
 - (ii) Farming profits for individuals and companies
 - (iii) Capital allowances for farming enterprises
 - (iv) Relief for losses from farming and fishing businesses
 - (v) Averaging of farming and fishing income
 - (vi) Valuation of livestock
- (f) Calculate Property Transfer Tax, dealing specifically with:
 - (i) Meaning of transfer and realised value
 - (ii) Transfers within groups of companies
 - (iii) Transfers to members of the immediate family
 - (iv) Payment of tax

(3) Administrative procedures for direct taxes: LO8

- (a) Explain the administration of direct taxes, dealing specifically with:
 - (i) Comprehensive computation of income tax payable by individuals
 - (ii) Payment of income tax by individuals
 - (iii) Payment of income tax by incorporated businesses
 - (iv) Payment of withholding taxes, Turnover Tax, and Property Transfer Tax
 - (v) Objections and appeals procedure
 - (vi) Role, functions and composition of the Revenue Appeal Tribunal

(4) VAT and Customs and Excise: LO9, 10

- (a) Calculate VAT, dealing specifically with:
 - (i) Taxable and exempt supplies for VAT purposes
 - (ii) Registration and deregistration
 - (iii) The tax invoice, tax point and tax period
 - (iv) Recovery of input VAT, pre-registration input VAT and partial exemption
 - (v) Bad debt relief
 - (vi) Special schemes
 - (vii) VAT inspection/control visits, payment of VAT, submission of VAT returns, penalties and appeals for review
 - (viii) Duty and reverse tax
- (b) Calculate Customs and Excise due, dealing specifically with:
 - (i) Introduction to tariffs and computation of Customs Values (VDP), customs duty and excise duty
 - (ii) Importation and clearance of motor vehicles
 - (iii) Valuation principles applicable on imports
 - (iv) Exports and export concessions
 - (v) Rules of origin and tax implications
 - (vi) Trade agreements and their benefits to the economy
 - (vii) Payment of Customs and Excise Duties

(5) Ethical issues in tax practice: LO11

- (a) Explain the IFAC Ethical Code guidance for professional accountants providing taxation services
- (b) Explain how the provision of taxation services creates self-review and advocacy threats
- (c) Explain how the fundamental principles of integrity, objectivity, professional competence and due care, professional behaviour and confidentiality apply when providing taxation services
- (d) Explain the nature of and difference between tax avoidance and tax evasion

2.5 Financial Management

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

- Evaluate financing options for organisations using a range of methods and taking into account a variety of stakeholder views
- Appraise investments
- Undertake fully appraised business valuations
- Appraise working capital requirements

Syllabus topics	Weighting (%)	LO
Evaluate financing options for organisations using a range of methods and taking into account a variety of stakeholder views	20	1 and 2
Appraise investments	30	3 and 4
Undertake fully appraised business valuations	25	5
Appraise working capital requirements	25	6

Learning outcomes

LO1: Evaluate the role of financing within an organisation and the factors, including risk, that affect financing decisions

LO2: Calculate and advise the financing requirements of an organisation from a range of options

LO3: Apply appropriate, risk-based investment appraisal techniques to evaluate investments

LO4: Evaluate investment choices within the context of a broader set of factors, including risk

LO5: Prepare business valuations

LO6: Appraise working capital requirements for organisations

(1) Financing decisions: LO1, 2

- Explain the relationships between business objectives and financial management objectives and the processes of developing strategy
- Evaluate based on a given scenario the impact of external factors and financial market issues upon business and financial strategy
- Evaluate the implications of given terms in a loan or financing agreement including covenants, warranties and guarantees
- Evaluate the roles, motivations and interests of different stakeholders in financing decisions
- Calculate based on a given scenario using given data and information the future financing requirements of an entity making reasoned assumptions and using suitable techniques to deal with uncertainty using information relating to current plans and operations
- Assess appropriate options for financing an entity based on a given business scenario and environment
- Compare financing options including tangible and intangible benefits using selected and appropriate financial appraisal techniques and supporting tools
- Evaluate giving suitable advice on the costs of different financing methods both before and after tax and using a weighted average cost of capital

- (i) Explain the effect of capital gearing on investors perception of financial risk and return
- (j) Explain how group reconstructions, purchase of own shares and distributions using distributable profits may support financing decisions

(2) Investment decisions: L03, 4

- (a) Assess appropriate investment appraisal techniques based on a given business, its objectives and circumstances
- (b) Assess appropriate discount factors or rates used to undertake an investment appraisal based on a given business scenario, data and information
- (c) Assess appropriate data that may be used in cash flow calculations based on a given business scenario, data and information, including taking account of taxation and inflation
- (d) Assess the implications including advising on the results on investment appraisal analysis using information derived from a business scenario
- (e) Assess other factors that may need to be considered beyond basic investment appraisal analysis including assessment of risks, subjective factors intangible factors and limitations in data and information may affect the advice given
- (f) Calculate an optimal investment plan in situations when there are capital restrictions and limitations
- (g) Draft a simple investment plan with commentary based on a business scenario that requires an investment appraisal to be undertaken or where information is given
- (h) Evaluate the impact of non-financial factors on making an appropriate investment decision taking into account economic, social and environmental issues

(3) Business valuations: L05

- (a) Calculate a valuation based on income, cash flow or asset bases with explanations of a business or shares or other securities of a company
- (b) Illustrate how sensitivity analysis can support a business or share valuation

(4) Appraise working capital requirements: L06

- (a) Explain the role of working capital management for organisations
- (b) Evaluate working capital management techniques
- (c) Explain the working capital requirements for a range of different organisations and circumstances.

6.3 Advisory level

3.1 Advanced Financial Reporting

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

- Apply accounting principles to prepare financial statements, notes and extracts that comply with generally accepted accounting practice
- Evaluate the position, performance and prospects of entities from their financial statements and other non-financial information
- Explain ethical issues arising in preparing financial statements and other information and recommend appropriate course of action

Syllabus topics	Weighting (%)	LO
Select and communicate appropriate accounting policies	20	1 and 4
Prepare financial statements using IFRS and other relevant standards	50	2 and 4
Analyse, interpret and evaluate financial and non-financial information of entities	15	3
Respond ethically to issues arising in the preparation and use of financial and non-financial information of entities	15	4

Learning outcomes

LO1: Evaluate appropriate accounting policies

LO2: Prepare financial statements, notes and extracts for both single entities and for groups that comply with generally accepted accounting practice

LO3: Evaluate entity position, performance and prospects using a range of financial and other data

LO4: Assess ethical issues and appropriate ethical responses

(1) **Selecting, presenting and evaluating suitable accounting policies: LO1, 4**

- (a) Advise upon suitable accounting policies based on a business scenario under local and international requirements for private sector entities including single and consolidated financial statements
- (b) Evaluate how alternative choices of revenue recognition, asset and liability recognition and measurement can affect the understanding of the performance, position and prospects of an entity whether in the private or public sector or when presenting consolidated or single entity financial statements
- (c) Explain to a chosen user the application of IFRS and local requirements for a private or public sector entity
- (d) Assess the choice of accounting treatments that may be adopted based on a given scenario explaining how they may affect a users' understanding of a business
- (e) Explain current issues arising in the development of generally accepted accounting practice at a local and international level
- (f) Evaluate the ethical and professional considerations when undertaking work, giving advice on financial accounting and reporting issues that may give rise to ethical problems in business and reporting scenarios

(2) Preparing and reporting information for financial statements and notes: LO2, 4

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

(3) Interpretation and evaluation of financial information and disclosures: LO3

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

Technical knowledge required – Accounting Standards

The technical appendix details the depth of treatment of required technical knowledge and the progression of competence over the levels in the qualification.

3.2 Advanced Audit and Assurance

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

- Evaluate the legal, regulatory and ethical issues involved with audit and assurance engagements
- Apply best practice in acceptance and management of audit and assurance assignments
- Appropriately plan, execute and report on audit and assurance assignments

Syllabus topics	Weighting (%)	LO
Legal, regulatory and ethical issues involved with audit and assurance engagements	15	1, 2 and 3
Acceptance and management of audit and assurance assignments	15	4
Plan and execute audit and assurance assignments	40	5, 6 and 7
Conclude and report on audit and assurance assignments	30	8

Learning outcomes

- L01: Advise on legal, regulatory, technical, professional and ethical issues of audit and assurance engagements
- L02: Evaluate the impact of national and international requirements on audit and assurance engagements
- L03: Explain to stakeholder groups the purpose and scope of audit and assurance engagements
- L04: Apply audit and assurance engagement practice policies
- L05: Evaluate the audit and assurance engagement and prepare and engagement plan
- L06: Evaluate internal controls
- L07: Evaluate accounting treatments
- L08: Evaluate audit and assurance evidence and conclude and report on the engagement

(1) Legal, regulatory and ethical issues: L01, 2, 3

- Advise on technical, professional and ethical issues that may arise during assurance engagements including evaluation and communication with any party to the engagement
- Make judgements upon when it may be appropriate to refer a matter to a more senior colleague or for third party advice or consultation
- Explain the nature and purpose of laws, regulations standards and codes in the context of assurance engagements
- Explain the process and issues in the standard setting process at national and international level
- Evaluate the interaction between national laws and regulations and the requirements of an assurance engagement
- Evaluate the differences between different jurisdictions and how the deal with audit issues including national approaches, international approaches and approaches such as the US Sarbanes-Oxley and related requirements for audit
- Evaluate how audits may fail to meet expectations of users
- Evaluate the extent of legal liability including criminal and civil law liability including professional negligence issues and how they can be mitigated

(2) Accepting engagements and managing assignments: LO4

- (a) Explain the legal, professional and ethical issues during the acceptance of assurance or audit assignments
- (b) Analyse the potential issues that determine the nature, scope and extent of an assurance or audit engagement
- (c) Evaluate appropriate procedures and personnel for management of an assurance or audit engagement
- (d) Evaluate appropriate quality control measures that may be used by a firm and during the course of an assurance or audit engagement
- (e) Evaluate the extent to which assurance and audit functions within an entity can be used or relied upon
- (f) Evaluate appropriate monitoring and review procedures to effectively manage an audit or assurance engagement
- (g) Explain the purposes and how external monitoring of audit and assurance engagements might operate to ensure firm or engagement quality
- (h) Evaluate the considerations for an auditor of risk issues identified prior to accepting an engagement
- (i) Evaluate how engagement terms can be agreed and recorded by an auditor including those agreed with a client and those imposed by laws or regulations

(3) Planning and undertaking work: LO5

- (a) Evaluate based on a business scenario the areas of a business that may be important to understand to develop an effective audit plan
- (b) Evaluate the techniques available to obtain an effective understanding
- (c) Evaluate the situations when third party expertise may be required
- (d) Evaluate and communicate the elements of audit risk including inherent risk, control risk and detection risk and their relationship to audit planning of procedures
- (e) Assess based on a given business and a given scenario the business, reporting and compliance risks in the context of an assurance or audit engagement in the public or private sector
- (f) Communicate advice or a report based on the assessment of internal controls
- (g) Evaluate the components of risk for any assurance engagement
- (h) Evaluate how business process effectiveness may affect an assignment
- (i) Evaluate, drawing conclusions on the appropriateness of stated accounting treatments in the context of a given business and a given scenario in the public or private sector in an audit assignment based on local law and generally accepted accounting practice
- (j) Evaluate the risks arising in a business scenario from accounting manipulation, error, fraud or other irregularities
- (k) Evaluate the risks arising in a business scenario from business and financial issues
- (l) Apply judgments and measures of materiality in carrying out an audit or assurance engagement
- (m) Apply analytical procedures that may be used to plan an audit or assurance engagement
- (n) Evaluate how risk and materiality judgments affect the planning of an assurance or audit engagement, including the nature, timing and extent of work

- (o) Develop a proposed audit plan with justifications of judgements made based on a business scenario for an audit or assurance engagement including considerations relating to:
 - (i) Materiality decisions
 - (ii) Internal control assessments including IT controls
 - (iii) Reliance on internal audit, specialists and the work of other auditors
 - (iv) Use of client generated data, information and reports
 - (v) Tests of control, substantive procedures including analytical procedures
 - (vi) Visits to locations, branches and departments
- (p) Explain appropriate procedures for assurance engagements for corporate social responsibility and sustainability reports
- (q) Explain the differences between assurance engagements and audit engagements for profit and not-for profit entities include those in the public sector
- (r) Explain in accordance with appropriate local legislation and international auditing and assurance standards the steps and procedures for audit and assurance work in the private and public sector

(4) Drawing conclusions and reporting

- (a) Evaluate and propose how issues identified during the course of an assignment may be raised and dealt with in communication with management, directors and those charged with governance including action taken when issues cannot be agreed
- (b) Apply procedures that may be used and considerations relating to the identification of subsequent events that may require adjustment or disclosure
- (c) Apply procedures that may be used and considerations relating to the identification of risk issues that may require disclosure
- (d) Evaluate quantitative and qualitative judgments based on the results of tests and evidence obtained
- (e) Advise on the capability to report on an assurance engagement or audit engagement including reporting findings, giving an external audit opinion or dealing with other issues that may require to be included in an audit report
- (f) Draft extracts of a suitable assurance report or management report based on a given scenario and entity
- (g) Draft extracts of a suitable audit report or management report based on a given scenario and entity and in accordance with local law and international standards of accounting and audit
- (h) Apply suitable judgements on when it may be appropriate to refer to a specialist in preparing and opinion or report
- (i) Apply suitable judgements on when it may be appropriate to withdraw from, withdraw an opinion on or take other such appropriate action on an audit or assurance engagement
- (j) Explain the issues that may be relevant and the nature of report that may be given relating to risk management, internal controls and governance.

Technical knowledge requirements – International Standards on Auditing

The technical appendix details the depth of treatment of required technical knowledge and the progression of competence over the levels in the qualification.

3.3 Strategic Business Analysis

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

- Provide reasoned advice on the formulation, choice and implementation of business strategy
- Advise on appropriate governance and risk management strategies
- Assess strategy within appropriate governance and risk frameworks
- Undertake business valuations
- Conduct financial analysis to support the development of financial strategy
- Understand the ethical framework, choices and impact of strategic decisions

Syllabus topics	Weighting (%)	LO
Provide reasoned advice on the formulation of business strategy	20	1, 2 and 7
Governance	10	2 and 7
Risk management	10	3 and 7
Provide reasoned advice on the choice of business strategy	20	4, 5 and 7
Provide reasoned advice on the implementation of business strategy	20	6 and 7
Ethical framework, choices and impact of strategic decisions	20	7

Learning outcomes

- L01: Explain the purpose and objectives of strategic choice
- L02: Evaluate the relationship between good governance and strategy
- L03: Evaluate suitable risk monitoring and management processes
- L04: Evaluate strategic analysis techniques
- L05: Evaluate strategic choice
- L06: Evaluate strategic implementation plans
- L07: Evaluate the ethical impact of strategic decisions

(1) Formulation of business strategy: L01, 2, 7

- Analyse a business and its strategy given its purpose, mission, vision and objectives from a shareholder and stakeholder perspective
- Analyse the opportunities and threats arising from events or potential events in the environment of a business at a global, national, market, product and competitive level
- Analyse the current position of a business in terms of its competitive strategy, plans and current markets drawing conclusions and giving straightforward advice on the chosen plans
- Analyse the current position of a business with a chosen strategy in the context of its environment based on an assessment of its resources, processes, people, IT, products core capabilities and competences, giving straightforward advice
- Draft an overall analysis drawing conclusions with advice based on given financial and non-financial data and information from a variety of sources in a given scenario

(2) Governance: L02

- (a) Assess based on a given scenario the role and responsibilities of an effective board
- (b) Assess based on a given scenario the issues of accountability of management to a board, private and institutional shareholders
- (c) Evaluate based on a given scenario the issues of transparency for an entity
- (d) Explain the importance of probity as a principle of governance assessing issues and their implications in a given scenario
- (e) Assess the extent to which a board is focusing on sustainable long-term success in a given scenario

(3) Risk and risk management: L03, 7

- (a) Explain the meaning of risk and business risk including risks arising externally or internally and relating to achievement of:
 - (i) Strategic objectives
 - (ii) Operational efficiency and effectiveness
 - (iii) Reliable reporting, and
 - (iv) Legal, regulatory and ethical compliance
- (b) Assess risks in a given scenario and their impact upon objectives
- (c) Explain appropriate responses to risks identified in a given scenario
- (d) Explain appropriate high level procedures to mitigate risks in a given scenario

(4) Choice of business strategy: L05, 7

- (a) Analyse the appropriate choices of strategy that a company may adopt with explanation based on a given scenario
- (b) Identify from an analysis undertaken of choices of strategy, with explanation, the impact on commercial, ethical, corporate responsibility and sustainability objectives
- (c) Evaluate appropriate strategies based on a given scenario that support a business's objectives taking into account constraints, conflicts and other issues
- (d) Draw conclusions based on market and product analyses that support a business strategy concerning the pricing, positioning, placing and product decisions in a strategic marketing plan
- (e) Evaluate the potential issues of change arising from a chosen or given business strategic implementation plan.

(5) Implementation of business strategy: L06, 7

- (a) Analyse the alternative appropriate functional strategies that may be appropriate to deliver a chosen strategy set out in a given scenario
- (b) Analyse the alternative appropriate organisational structures and related activities that may be appropriate to deliver a chosen strategy set out in a given scenario
- (c) Analyse a chosen business strategy in a given scenario so that an evaluation may be undertaken leading to the drafting of a simple business plan
- (d) Evaluate a given business plan from a shareholder or stakeholder perspective drawing conclusions and judgements as to whether it can meet the business's objectives in the context of its environment

- (e) Evaluate how information technology and information systems can support the effective implementation of a business strategy including issues of competitive advantage, including considerations of the:
 - (i) Impact of Information systems on organisations
 - (ii) Relationship between Information systems/Information technology strategy and corporate
 - (iii) strategy
 - (iv) Role of Information systems/ Information technology in creating competitive advantage
 - (v) Impact of Information technology on organisations
 - (vi) The impact of contemporary developments in Information technology on organisational strategy
 - (vii) The impact of e-commerce on organisations and business
- (f) Evaluate the potential issues of change arising from a chosen or given business strategic implementation plan

(6) Ethical framework, choices and impact of strategic decisions: L07

- (a) Illustrate using information in a given scenario the meaning of business ethics
- (b) Explain in the context of a given scenario how business ethics and moral duties may be linked
- (c) Explain in the context of a given scenario how business ethics and business success may be linked
- (d) Assess in a given scenario issues of ethics and corporate social responsibility
- (e) Assess in a given scenario issue of professional ethics and corporate governance

3.4 Advanced Taxation

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

- Explain tax and investment regulation in Zambia
- Explain tax audits
- Calculate tax liabilities for individuals and businesses on local and international transactions
- Advise on tax planning opportunities
- Identify and respond appropriately to ethical issues arising in the course of performing tax work

Syllabus topics	Weighting (%)	LO
The framework for taxation in Zambia	15	1, 2 and 3
Tax audits	10	4
Tax liabilities for mining, financial services and financial arrangements	30	5, 6 and 7
International aspects of taxation	15	8
Tax planning	15	9
Ethical issues in tax practice	15	10

Learning outcomes

- LO1: Explain the nature of taxation and investment regulation in Zambia
- LO2: Explain the interaction of taxes, prepare relevant tax computations and advise when the taxes are payable
- LO3: Evaluate the tax implications of the various investment opportunities and calculate the taxes payable
- LO4: Explain the approaches to carrying out tax audit and investigations, and explain appropriate tax investigation methods
- LO5: Calculate taxes payable on mining income and gains computed using applicable tax law
- LO6: Calculate taxes payable by enterprises in the financial services sector
- LO7: Advise on the taxation implications of various financial arrangements that could be made by individuals and enterprises
- LO8: Advise Zambian individuals and businesses, including multinational enterprises, on international dimension relevant to their taxation circumstances
- LO9: Advise on appropriate tax planning issues for individuals and business
- LO10: Explain and apply appropriate ethical standards to taxation practice

(1) The framework for taxation in Zambia: LO1, 2, 3

- (a) Explain the nature of taxation and investment regulation in Zambia, dealing specifically with legal, administrative and political environment of the Zambian tax system
- (b) Explain the interaction of taxes, prepare relevant tax computations and advise when the taxes are payable, dealing specifically with:
- (i) Liability of various persons to taxes and collection of taxes using a wide range of methods such as self-assessment, direct assessment, deduction at source and so on
 - (ii) Objections and appeals procedure in respect of all extant taxes

- (iii) Income Tax liabilities for sole traders, partners, employees and individuals with investment income and farming income
 - (iv) Interaction of corporate taxation and withholding taxes
 - (v) Value Added Tax, Customs and Excise, Capital Allowances and Income Tax
 - (vi) Property Transfer Tax, estates and trusts
 - (vii) Presumptive Taxes, Capital Allowances and losses
- (c) Evaluate the tax implications of the various investment opportunities and calculate the taxes payable, dealing specifically with:
- (i) Types of business investment in Zambia
 - (ii) Taxation of inward investments
 - (iii) Taxation of outward investments
 - (iv) Taxation incentives under the Zambia Development Agency Act
 - (v) Negotiating fiscal incentives with government

(2) Tax audits and investigations: LO4

- (a) Explain the approaches to carrying out tax audit and investigations, and explain appropriate tax investigation methods, dealing specifically with:
- (i) Introduction to tax audits
 - (ii) Basis of accounting, ratio analysis and preliminary review of financial statements
 - (iii) The statement of financial position/balance sheet
 - (iv) Incomplete records of taxpayers
 - (v) Uncovering hidden income
 - (vi) Perpetual tax loss position and loss harvesting

(3) Tax liabilities for mining, financial services, and financial arrangements: LO5, 6, 7

- (a) Calculate taxes payable on mining income and gains computed using applicable tax law, dealing specifically with:
- (i) Introduction to mining operations
 - (ii) Treatment of revenue and capital expenditure, including environmental expenditure
 - (iii) Mining Tax losses and their indexation
 - (iv) Tax incentives for mining operations
 - (v) Capital allowances and their indexation
 - (vi) Thin capitalization and tax treatment of hedging income
 - (vii) Income Tax computations for mining operations
 - (viii) Mineral Royalty Tax
 - (ix) Variable Profit Tax
- (b) Calculate taxes payable by enterprises in the financial services sector, dealing specifically with:
- (i) Nature of the financial services sector
 - (ii) Meaning of bank and insurance company for taxation purposes
 - (iii) Computing taxable income and Income Tax payable by banks
 - (iv) Computing Income Tax payable by insurance companies on both general insurance and life insurance business
 - (v) Computing taxable income and Income Tax payable on management of pension

- (c) Advise on the taxation implications of financial arrangements for individuals and enterprises, dealing specifically with:
 - (i) General tax policy and financial principles relevant to the Income Tax treatment of financial instruments
 - (ii) Zambian tax law applicable to financial instruments including debt/equity rules, hire purchase, leasing and sale and lease back
 - (iii) Debt-financing techniques, particularly the treatment of interest surrogates and hybrid debt instruments
 - (iv) Personal financial planning
 - (v) Collective investment plans
 - (vi) Deposit based investments
 - (vii) Pension scheme planning and the role of the National Pension Scheme Authority

(4) International aspects of taxation: LO8

- (a) Advise Zambian individuals and businesses, including multinational enterprises, on international dimension relevant to their taxation circumstances, dealing specifically with:
 - (i) Liability of residents and non-residents to Income Tax
 - (ii) Liability of foreign income to Income Tax and basis of assessment
 - (iii) Trading within Common Market for Eastern and Southern Africa
 - (iv) (COMESA) and Southern Africa Development Community (SADC)
 - (v) Indirect taxes on overseas operations
 - (vi) Double taxation conventions and the Organisation for Economic Co-operation and Development (OECD) model
 - (vii) Methods of giving double taxation relief
 - (viii) Transfer pricing and thin capitalisation
 - (ix) Taxation of multinational enterprises
 - (x) International tax avoidance

(5) Tax planning: LO9

- (a) Advise on the measures that could be put in place to minimise or defer taxation liabilities, dealing specifically with:
 - (i) The differences between tax planning, tax avoidance and tax evasion
 - (ii) Employment compared with self-employment from a tax point of view
 - (iii) Tax implications of alternative remuneration packages
 - (iv) Choice of business medium
 - (v) Tax implications of incorporation of a business
 - (vi) Tax treatment of alternative ways of extracting profits from a company
 - (vii) Tax implications arising from the disposal of a business
 - (viii) Income Tax assessment of consolidated groups
 - (ix) Treatment of entry and exits from a group
 - (x) Treatment of group losses
 - (xi) Property Transfer Tax for groups of companies
 - (xii) Value Added Tax in groups of companies
 - (xiii) Corporate insolvency and reconstruction

(6) Ethical issues in tax practice: LO10

- (a) For a given business scenario explain how the fundamental principles of integrity, objectivity, professional competence and due care, professional behaviour and confidentiality apply when providing taxation services and identify and evaluate an appropriate course of action
- (b) For a given business scenario explain the nature of and difference between tax avoidance and tax evasion and evaluate an appropriate course of action
- (c) Design and recommend appropriate ethical safeguards in tax practice

3.5 Advanced Management Accounting

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

- Define the role of the management accountant
- Evaluate the setting of, controlling and managing the performance and risk management in an organisation
- Evaluate how strategic performance measures can support decision making
- Evaluate and select performance measures for an organisation
- Evaluate and select measures that support management of divisions
- Evaluate the resource implications in IT and HR to support effective performance management

Syllabus topics	Weighting (%)	LO
Organisation objectives and performance	10	1 and 2
Performance measures for strategic management	20	3
Performance measures for entity management	20	4
Performance measures for divisional management	20	5
Performance management support using IT and HR resources	20	6 and 7
Issues in modern management accounting	10	8, 9 and 10

Learning outcomes

- LO1: Define role of the strategic management accountant in the nature and context of performance management
- LO2: Explain the ethical problems faced in setting organisational measures for performance
- LO3: Evaluate appropriate performance measures to support strategic decisions
- LO4: Evaluate appropriate performance measures to support entity management decisions
- LO5: Evaluate appropriate performance measures to support divisional management decisions
- LO6: Evaluate information technology support for performance management
- LO7: Evaluate human resources to support performance management
- LO8: Explain modern budgeting methods
- LO9: Explain and apply modern costing techniques
- LO10: Describe current issues in management accounting

(1) The role of management accounting in managing organisations: LO1, 2

- (a) Explain the role of the modern strategic management accountant
- (b) Describe the nature of organisational hierarchy, mission, goals, and objectives
- (c) Describe the nature of performance management and control environment and how coordinated actions lead the organisation to achieve mission, goals, and objectives
- (d) Evaluate performance control mechanisms to enable optimal performance
- (e) Assess the impact of non-quantitative aspect of performance monitoring and control
- (f) Explain the ethical context of modern performance management

(2) Strategic performance management: L03

- (a) Evaluate a scenario for a given business given its objectives, critical success factors and strategy using techniques such as c analysis, five forces analysis, the Boston Consulting Group model, value chain analysis, Ansoff's matrix, and other suitable strategic models including information about its strengths weaknesses opportunities and threats suitable performance measures at a strategic level
- (b) Evaluate including calculations of suitable performance measures for a business given a scenario including return on capital employed, return on investment, earnings per share, earnings before interest, tax, depreciation and amortisation, residual income, net present value and internal rate of return
- (c) Evaluate given a business scenario suitable measures of liquidity, gearing and cash flow for a business entity
- (d) Evaluate suitable monitoring and control mechanisms on strategic performance choice

(3) Entity performance management: L04

- (a) Calculate suitable financial performance measures for a given business from given data and information evaluating the results based on business objectives and advising upon management action
- (b) Calculate suitable non-financial performance measures for a given business from given data and information evaluating the results based on business objectives and advising upon management action
- (c) Assess the use of balanced scorecard methods including evaluation of performance from given data and information
- (d) Evaluate the use of value for money (VFM) techniques in performance management
- (e) Evaluate suitable monitoring and control mechanisms on entity performance choice
- (f) Apply stakeholder based measures of performance that may be used to evaluate social or environmental performance of a business

(4) Divisional performance management: L05

- (a) Apply suitable bases for setting transfer prices for decision-making and performance measurement based on give information for a given business evaluating the results and advising upon management action
- (b) Apply suitable divisional performance measures for a given business using return on investment , residual income and economic value added approaches evaluating the results and advising upon management action
- (c) Evaluate suitable monitoring and control mechanisms on divisional performance choice

(5) Performance management support: L06, 7

- (a) Advise management on suitable information technology and information systems support that may enable them to operate effective operational and strategic performance management systems
- (b) Advise management on suitable approaches that may be used to manage people and change when implementing performance management systems

(6) Issues in Modern Management Accounting: L08, 9, 10

- (a) Explain the concepts of Beyond Budgeting and Adaptive Management Processes
- (b) Explain and apply modern cost accounting techniques, paying attention to Just in time, Kaizen costing, value chain analysis, and process re-engineering
- (c) Describe current developments in modern management accounting practice

3.6 Advanced Financial Management

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

- Formulate financial strategies
- Evaluate investment opportunities
- Recommend appropriate financial risk strategies
- Evaluate global financial markets and the role of multinational businesses

Syllabus topics	Weighting (%)	LO
Financial strategies	20	1 and 2
Investments	35	3
Financial risk strategies	35	4 and 5
Global financial markets and the role of multinational businesses	10	6

Learning outcomes

- LO1: Evaluate the issues involved in the formulation of an organisation's financial strategies
- LO2: Evaluate the various financing options available to an organisation and recommend the most appropriate strategy based on the organisation's objectives
- LO3: Evaluate the various types of investment opportunities that may be available to an organisation, using appropriate techniques and considering the major issues that may arise
- LO4: Assess the role of the treasury management function within an organisation
- LO5: Evaluate the extent to which an organisation is exposed to foreign exchange and interest rate risks and recommend appropriate strategies to manage these risks
- LO6: Evaluate the impact of, and how to manage, global issues, including the management of international trade and the development of strategic financial plans

(1) Financial strategies: LO1, 2

- Determine and explain financial strategy objectives, including the role of Islamic finance, taking account of the constraints on various elements of financial strategy
- Evaluate the available financing options, including:
 - Short, medium and long term alternatives
 - Issues of new capital
 - Gearing and capital structure
 - Dividend policy
 - Working capital management
- Explain stakeholder interests and their effect on financial strategy formulation and propose resolutions to stakeholder conflicts
- Identify ethical problems in financial strategy and propose appropriate resolutions
- Evaluate financial strategies in terms of the financial and strategic objectives of the organisation
- Forecast financing requirements for both short and long term financing requirements
- Evaluate alternative methods of financing, incorporating the impact of the tax, and select an appropriate financial plan
- Prepare a financial plan and evaluate the impact of uncertainty on the plan

(2) Investments: L03

- (a) Evaluate investment proposals in terms of value added for shareholders of a project using discounted cash flow techniques, taking account of taxation and inflation
- (b) Evaluate the role and impact of risk in investment appraisal
- (c) Evaluate cost of capital techniques including the cost of equity, debt, preference shares, bank finance, the weighted average cost of capital, convertibles and public sector discount rates
- (d) Calculate bond prices and cost of debt using net present values
- (e) Recommend an investment decision taking account of non-financial factors such as corporate social responsibility, sustainability, and ethical practice
- (f) Prepare business valuations for mergers, acquisitions, management buyouts and business divestments and recommend an appropriate decision, paying particular attention to the following valuation techniques:
 - (i) Dividend yield based valuation techniques
 - (ii) Price earnings ratio based valuation techniques
 - (iii) Discounted cash flow based valuation techniques
 - (iv) Asset based and net asset based measures of value
 - (v) Value based management
 - (vi) Shareholder value analysis
 - (vii) Short and long term growth rates and terminal values
 - (viii) Economic profit methods
 - (ix) Cash flow return on investment
 - (x) Total shareholder return
 - (xi) Market value added
- (g) Explain the limitations of investment appraisal analysis for a given business scenario

(3) Financial risk strategies: L04, 5

- (a) Explain the role of treasury function
- (b) Explain the role of money markets
- (c) Explain the financial risks of a business based on a given scenario, data and information
- (d) Explain how financial instruments such as hedging and derivative products may be used to manage risks and explain the nature of such products
- (e) Evaluate the alternative approaches to managing interest rate exposure based on a given scenario, data and information, calculating the costs of different hedging arrangements
- (f) Evaluate the alternative approaches to managing currency rate exposure based on a given scenario, data and information calculating the costs of different hedging arrangements

(4) Global issues and the multinational company: L06

- (a) Describe the emerging issues in the global financial markets
- (b) Describe developments in international trade and finance
- (c) Explain the key elements of the management of international trade and finance
- (d) Evaluate the impact of different circumstances underpinning the development of strategic financial plans for multinationals.

3.7 Public Sector Audits and Assurance

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

- Define effective auditing and assurance responsibilities in the public sector within the Lima Declaration and explain the fundamental public sector auditing principles
- Apply fundamental principles of public sector auditing and evaluate, for a given scenario, audit practice, outcomes, and reporting requirements.
- Apply fundamental principles of financial auditing and evaluate, for a given scenario, audit practice, outcomes, and reporting requirements.
- Apply fundamental principles of performance auditing and evaluate, for a given scenario, audit practice, outcomes, and reporting requirements.
- Apply fundamental principles of compliance auditing and evaluate, for a given scenario, audit practice, outcomes, and reporting requirements.

Note. The above is based on the INTOSAI framework.

Syllabus topics	Weighting (%)	LO
Effective auditing and assurance in the public sector	10	1
Public sector audits	15	2, 3 and 4
Financial audits	20	2, 3, 4 and 5
Compliance audits	15	2, 3, 4 and 6
Performance audits	20	2, 3, 4 and 7
IT audits	10	2, 3, 4 and 8
Forensic Audits	10	2, 3, 4 and 9

Learning outcomes

- L01: Define effective auditing and assurance in the public sector
- L02: Identify for a given audit or assurance scenario, the core ethical principle that would be relevant to inform an ethical judgement, enhance transparency and accountability, and abide by quality controls
- L03: Recommend a course of action to resolve ethical issues, enhance transparency and accountability, and abide by quality controls for a given audit or assurance assignment
- L04: Apply fundamental principles of public sector auditing and evaluate, for a given scenario, audit practice, outcomes, and reporting requirements.
- L05: Apply fundamental principles of financial auditing and evaluate, for a given scenario, audit practice, outcomes, and reporting requirements.
- L06: Apply fundamental principles of compliance auditing and evaluate, for a given scenario, audit practice, outcomes, and reporting requirements.
- L07: Apply fundamental principles of performance auditing and evaluate, including for environmental audits, for a given scenario, audit practice, outcomes, and reporting requirements.
- L08: Apply fundamental principles of IT audits and evaluate, for a given scenario, audit practice, outcomes, and reporting requirements.
- L09: Apply fundamental principles of forensic audits and evaluate, for a given scenario, audit practice, outcomes, and reporting requirements.

- (1) Effective auditing and assurance in the public sector: LO1–4**
- (a) Define the purpose and types of audits
 - (b) Explain the independence of SAIs and its members
 - (c) Describe the relationship to Parliament, government and the administration
 - (d) Explain the powers of SAIs
 - (e) Outline the nature of audit methods, the role of audit staff, and the benefits of international exchange of experiences
 - (f) Describe the reporting requirements
 - (g) Explain the audit powers of SAIs
 - (h) Explain and apply the ISSAI Code of Ethics
- (2) Public sector audits: LO2, 3, 4**
- (a) Describe the contents of The Mexico Declaration on SAI Independence
 - (b) Explain the value and benefits of Supreme Audit Institutions
 - (c) Explain the principles of transparency and accountability, code of ethics, and the nature of quality control for SAIs
 - (d) Outline the fundamental principles of financial auditing
 - (e) Outline the fundamental principles of performance auditing
 - (f) Outline the fundamental principles of compliance auditing
- (3) Financial audits: LO2, 3, 4, 5**
- (a) Describe the purpose and authority of the fundamental principles of financial auditing
 - (b) Outline the framework for auditing financial statements in the public sector
 - (c) Describe the elements of an audit of financial statements
 - (d) Explain the principles of an audit of financial statements and apply these principles and report, for a given scenario, the outcome of a financial audit.
- (4) Performance audits: LO2, 3, 4, 6**
- (a) Describe the framework for performance auditing
 - (b) Describe the elements and principles of performance auditing
 - (c) Explain the principles of a performance audit and apply and report, for a given scenario, the outcome of a performance audit.
- (5) Compliance audits: LO2, 3, 4, 7**
- (a) Describe the framework for compliance auditing
 - (b) Describe the elements and principles of compliance auditing
 - (c) Explain the principles of a compliance audit and apply and report, for a given scenario, the outcome of a performance audit.
- (6) IT audits: LO2, 3, 4, 8**
- (a) Describe the purpose of IT Audits
 - (b) Explain the steps undertaken in the application of IT audits
 - (c) Explain the principles of IT audits and apply and report, for a given scenario, the outcome of an IT audit.

(7) Forensic audits: LO2, 3, 4, 9

- (a) Describe the purpose of forensic audits
- (b) Describe the elements (types) of forensic audits
- (c) Explain the principles of forensic audits and apply and report, for a given scenario, the outcome of a forensic audit.

Technical knowledge requirements – INTOSAI Standards on Auditing

The technical appendix details the depth of treatment of required technical knowledge and the progression of competence over the levels in the qualification.

3.8 Public Sector Financial Management

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

- Explain the nature of the public sector finance and taxation framework in Zambia
- Describe the sources of public revenue and key areas of public expenditure
- Evaluate the nature of public sector budgeting and control systems
- Evaluate the public financial management system using measurement frameworks
- Recommend appropriate risk strategies for public sector financial management
- Evaluate public sector capital projects

Syllabus topics	Weighting (%)	LO
Public sector finance and taxation framework in Zambia	20	1 and 2
Budgeting and control	20	3
Public Finance Management Measurement Frameworks	10	4
Financial Risk management	25	5
Capital projects	25	4

Learning outcomes

- LO1: Explain the nature of the public sector finance and taxation framework in Zambia
 LO2: Describe the sources of public revenue and key areas of public expenditure
 LO3: Evaluate the nature of public sector budgeting and control system
 LO4: Evaluate the public financial management system using measurement frameworks
 LO5: Recommend appropriate financial risk strategies
 LO6: Evaluate public sector capital projects

(1) Public sector finance and taxation framework in Zambia: LO1, 2

- Identify the main governmental and administrative bodies with responsibility over public revenue and expenditure
- Identify the sources of public revenue for central and local government in Zambia
- Identify the key areas of public expenditure for central and local government in Zambia
- Explain the policy priorities for public expenditure in Zambia
- Explain the nature of financial risk in the public sector and identify, evaluate and recommend appropriate financial risk mitigation strategies, including those relating to public borrowing and financial market risks.

(2) Budgeting and control: LO3

- Outline the public financial planning process
- Explain the critical dimensions of public financial management performance from the Public Expenditure and Financial Accountability (PEFA) framework
- Describe the budgetary framework, budget cycle and budget processes, including the nature of performance measures, target setting, budget monitoring, budget feedback and control
- Explain the budgetary risk management framework and procedures and recommend appropriate risk mitigation strategies

(3) PFM Measurement Frameworks: L04

- (a) Explain the how the public financial management (PFM) system is measured
- (b) Evaluate the PFM system using the Public Expenditure and Financial Accountability (PEFA) framework
- (c) Evaluate the PFM system using other measurement frameworks such as Public Expenditure Tracking Survey (PETS) framework, etc.

(4) Financial Risk management: L05

- (a) Evaluate the risk of capital projects including the identification and proposed mitigation of risk factors, including:
 - (i) Sensitivity
 - (ii) Simulation
 - (iii) Scenario building
- (b) Evaluate and recommend investment strategies for the use of surplus public funds in the context of the Public Finance Act and the Local Government Management Act, paying attention to:
 - (i) The identification of appropriate investment vehicles such as pension funds
 - (ii) Using portfolio theory, the creation of a balanced portfolio of investments, as far as the relevant legislation allows.

(5) Capital projects: L06

- (a) Describe the nature of public sector capital projects including the approval process, performance measures, and target setting, paying particular attention to public/private partnerships
- (b) Explain the role of and interaction between quantifiable and non-quantifiable targets and apply both sets of targets to capital project problems
- (c) Determine an appropriate cost of capital to employ in capital projects
- (d) Evaluate, using appropriate techniques, the viability of proposed capital projects

STUDY GUIDANCE



7 Study Guidance

7.1 How to study

Have a positive attitude

You have a lot to learn. However others have passed and so can you. You should focus on all the **benefits** that passing the exam will bring you. Studying may seem difficult at times, but you are doing it for a reason – to advance your career.

Focus on the exams

You need to keep the exam firmly in your sights throughout your studies. You should read the guidance in the front pages of the Study Manual about the exam. You should also look out for all the references to the exam in Chapter introductions, Exam alerts and other places in the Study Manual.

Organise your time

Before you start studying you must organise yourself properly. You need to timetable your studies, to ensure that you have enough time to cover the entire syllabus and revise it. Choose the notes format that is most helpful to you. Do not copy out too much, but summarise key areas that show you understand the entire syllabus content of your subject.

Learn actively

There are various ways in which you can keep your mind active when studying and hence improve your understanding and recall of material. You should keep asking yourself how what you're studying fits into the whole picture of the exam. If you are not sure, go through the Introduction of the Chapter and front pages of the Study Manual. You will also increase your understanding of the syllabus by going carefully through every example and trying every question in the Study Manual.

Review what you have learnt

Regularly reviewing the topics you're studying will help cement your understanding. The Study Manual will help you do this. The Chapter roundups summarise the key points in each chapter.

Practise questions as you learn

It is important you regularly confirm your understanding and recall of syllabus knowledge by practising the questions at end of each chapter in the Study Manual. The Quick quizzes test your grasp of the essential knowledge in each chapter and longer questions allow you apply your knowledge in a scenario.

Once you are familiar with the syllabus content you can begin the revision phase and attempt questions from the Revision Kit. We advise you to begin your revision phase as early as possible to maximise the time you have to improve your knowledge and develop the exam skills you will need to pass the exam.

7.2 How to revise

Plan your revision

At the start of your revision period, you should draw up a timetable to plan how long you will spend on each subject and how you will revise each area. You need to consider the total time you have available and also the time that will be required to revise for other exams you are taking. It is important not to spend too much time on small areas, and leave yourself insufficient time to cover the rest of the syllabus.

Questions for Practise

You will significantly improve your chances of passing the exam by practising exam-standard questions. Answering full questions against the clock will mean that you'll get used to the time pressure of the exam and will help you improve your written communication skills. When the time is up, you may well find it useful to note where you have reached and then to try to complete the question, giving yourself

practice at all the techniques that the question tests. You should attempt the questions before you read the answers. Reading the answers without doing the questions will give you false assurance that you would have tackled the question in the best way and made the points that the answer does. You should also practise written and numerical questions, don't only attempt calculation questions.

Practising as many exam-style questions as possible will be the key to passing this exam. You must do questions under **timed conditions** and ensure you write full answers to the discussion parts as well as doing the calculations.

Make sure you practise written sections as well as the calculations.

Revise the whole syllabus

Make sure that your revision covers the entire syllabus. Examiners are well aware that some students only revise those syllabus areas that they think will be examined. Examiners try to prevent this by doing the unexpected, for example setting questions on the same topic in successive sittings. The most important topics in a syllabus often appear in questions. You need to identify these topics and spend sufficient time revising them. Take time to ensure you know the fundamental calculations, proformas and preferred report layouts for each examination, to increase your chances of scoring higher marks.

Deal with difficult areas

Difficult areas are topics you find dull and pointless, or subjects that you found problematic when you were studying them. You must not become negative about these topics. Instead you should build up your knowledge by reading the Chapter summaries and using the Quick quiz questions in the Study Manual to test yourself. When practising questions, go back to the Study Manual if you are struggling.

Learn from your mistakes

When you complete a question you should try to look at your answer critically. It is worth noting mistakes you have made, and referring to these notes in the days before the exam. You should aim to learn at least one new point from each question you attempt, a technical point perhaps or a point on style or approach.

7.3 Exam skills you will need to develop

Exam success depends on syllabus knowledge and having good exam skills. The following five exam skills are important to exam success for exams.

- 1 Answering multiple choice questions
- 2 Interpreting the requirements
- 3 Planning your answer
- 4 Producing good written answers
- 5 Producing good numerical answers
- 6 Time management

Applying the following advice on how you develop each of the five exam skills will help you to improve your own exam performance.

1 Answering multiple choice questions

The rationale behind multiple choice questions is that syllabus knowledge can be tested simply. The recommended steps in approaching multiple choice questions are as follows:

Step 1: Reading the question and requirement carefully

This may appear obvious but it is easy in the exam to miss something important. For example, it is very easy to miss a 'NOT' in a question which will probably lead to a wrong answer being selected. Ensure you take your time to confirm you have read and understood the question correctly.

Step 2: Reading answer options carefully

If you can spot the correct answer straightaway then choose your answer and move on to the next question. If not, eliminate any answer options which are obviously incorrect before you make your choice from the remaining answer options. This will increase your chances of choosing the correct answer.

Step 3: Check you have selected the answer option you intended to

When answering a multiple choice question it is easy to select the wrong letter. For example, you know the answer is 'B', but you incorrectly mark 'C' as your answer. Before you submit your exam, check through your answers and confirm you have chosen the answers you believe are correct.

2 Interpreting the requirements

In your exam, you should produce only what is being asked for in the requirement. This sounds straightforward, but there is a real skill in understanding very quickly exactly what is expected and delivering an answer within the time allowed by the mark allocation.

This skill is often underestimated but it is very easy to deliver less, which limits marks, or deliver more, which eats into precious time, or go off on a tangent altogether where your answer just isn't relevant to the requirement and generates no marks.

By following these steps and with repeated practice, you will find the alignment of your answer to the requirement will improve.

Step 1. Read the requirement

The first thing you should do is read the requirement a couple of times slowly and carefully and highlight the active verbs. The active verb used often dictates the approach that written answers should take (e.g. 'explain', 'discuss', 'evaluate'). It is important you use the verb to define what you plan to do. The question can contain specific references to a company, product, event, economic factor or accounting standard.

Step 2. Read the scenario

By reading the requirement first, you will then have an idea of what to look out for as you read through the scenario. This is a great time saver and means you don't end up having to read the whole question in full twice. As you go through the scenario you should be annotating anything that you think will play a key role in answering the specific requirements.

Step 3. Read the requirement again

Quickly read the requirement again to remind yourself of the exact wording before starting your answer plan and pay particular attention to the mark allocation. Without another check you may make mistakes and misinterpret or miss out requirements. Making this a habit can capture and correct the approach before the answer is planned. Always highlight the word 'and', as this means there is more than one requirement and these extra requirements are often missed.

3 Planning your answer

An answer based on a plan will be better than one that isn't. It's as simple as that.

Examiners often report that students 'didn't answer the question that was asked' or 'did not make your points clearly' or 'did not relate your answer to the scenario'. All of these can be avoided by simple and effective planning.

By following these steps and with repeated practice, you will find that the quality of your answers improves as you apply a well-crafted plan.

Step 1. Use subheadings

Using subheadings taken from your answer plan will give structure, logic and order to your written answer. The benefits here are twofold. Firstly, it will ensure your answer is directly linked to your plan, which is already directly linked to the requirement. Secondly, the answer will be

clearly 'sign-posted' via the subheadings, and it will be easier for the marker to see that the question has been answered in a sensible way, and quickly see the different points that you have included in your answer.

Step 2. Write your answer in short, punchy sentences

Always use short, punchy sentences when presenting written answers. Aim to write clearly with good handwriting. You can leave a line in between each point to enable your points to be read more clearly if handwriting is a problem.

Long-winded paragraphs will just waste precious exam time, as all the marks available may have already been awarded. In discussion questions aim to make and explain each point without excessive sentences. If this remains a problem then the red pen exercise is effective by reading through your answer aiming to eliminate 20% of the words whilst earning the same marks. You will then begin to realise how to be more efficient in your written work.

Step 3. Extend your points with depth

You should never leave the marker asking '...so what?' or '...why?' at the end of a paragraph. Not extending the answer enough can, in some cases, halve the marks awarded. A technique you could use is explaining your point in one sentence and then to explain why it matters by starting the next sentence, 'This matters because...'

4 Producing good written answers

As well as demonstrating syllabus knowledge, you must structure your written answers so that the marker can clearly see the different points you are trying to make, in a clear and professional way.

By following these steps and with repeated practice, you will find the structure of your answers improves the visibility of marks.

Step 1. Use subheadings

Using the headings you have generated in your answer plan will give your answer structure, logic and order. The benefits here are twofold. Firstly, it will ensure your answer is directly linked to your plan, which is already directly linked to the requirement. Secondly, the answer will be clearly 'sign-posted' via the subheadings, and it will be easier for the marker to see that the question has been answered in line with the requirement and in a sensible way.

Step 2. Write your answer in short, punchy sentences

Always use short, punchy sentence when presenting written answers. Aim to write clearly with good handwriting. If you are using more than three sentences to generate one mark then you need to practise lowering the word count to make the same point.

When you get to the Revision Phase, everything you write should generate marks. If it doesn't, then it is not required.

Step 3. Extend your points with depth

You should never leave the marker in a position where they are able to say '...so what?' or '...why?' at the end of a paragraph if you have been asked to explain or evaluate. Not extending the answer enough can, in some cases, halve the marks awarded. A technique you could use to help you is to explain what you mean in one sentence and then to explain why it matters in the next. However, the advice to use short punchy sentences still applies.

5 Producing good numerical answers

Marks can be scored very quickly in calculation type requirements by making the process of arriving at the answer clear to the marker. This is achieved by laying out an answer in such a way that still scores well even if a few errors occur along the way. It is vital that you do not throw marks away purely because the marker cannot follow what you have done. Therefore, follow the prescribed format of workings and answers if relevant and use cross-referencing.

By following these steps and with repeated practice, you will find the clarity of your numerical answers improves.

Step 1. Use standard workings

If answers can be laid out in a standard workings, proforma or table then do so as markers can struggle with an unexpected format. A standard working helps the marker to locate the marks easily and it helps you to work your way through the figures in the question in a methodical, time-efficient way.

Step 2. Show your workings

Keep your workings as clear and simple as possible and ensure you have cross-referenced to the main part of your answer. It can help to provide a brief explanation to help the marker understand each step in the calculation. You should always state your assumptions. As a rule, always show your workings!

Ensuring the marker can follow the workings is very important because if you make a mistake you may not lose any subsequent marks for follow-on calculations or for method based on your 'own figure'. Where an error is made and the marker doesn't understand why, the ability to award follow-on marks or method marks is lost.

Step 3. Keep moving!

It is important to remember that in an exam situation it is difficult to get every number 100% correct. The key thing therefore is to ensure you do not spend too long on any single calculation. If you are struggling with a calculation, make a sensible assumption, state it for the marker and move on.

6 Time management

Good time management will help you attempt all questions in the exam, putting you in a better position to pass.

By following these steps and with repeated practice, you will find your ability to complete a question in the time allowed, or a greater proportion of it, improves.

Step 1. Stick to mark/time allocations for each requirement

Before starting a question you need to work out the amount of time you should be spending on it. For example, if an exam has 2 minutes per mark, then a 10-mark question should take you just under 20 minutes.

Remember that these timings are 'in total' and not just the time spent writing an answer out. What this means is that you also need to take account of the all-important answer planning. Good advice to use is to allocate 20% of the total time for planning. So, for a 10-mark question spend approximately 4 minutes of the 20 minutes allocated on answer planning.

Step 2. Follow your answer plan

It is not uncommon for students to spend five minutes on their answer plan then not use it at all when writing up the answer, which is a waste. Your plan should be like a contents page for your answer. So if a requirement has five answer points, these should generate five headings in your answer with a paragraph below each heading.

Step 3. Keep an eye on the clock!

Once timings are planned the challenge is to ensure you stick to the timings when you are actually planning and writing out your answers. Obviously your speed will improve with time and question practice. Developing a sense of when it is 'time to move on to the next requirement or question' is important. Whilst you should aim to attempt all requirements, you may need to be ruthless with time and move on if the answer to a requirement is not going as you planned.

7.4 How to pass your exams

Prepare for the day

You should allow plenty of time to get to the examination room and plan to arrive well in advance of the starting time, so that you may be seated and accustomed to your surroundings by the time the examination begins. You should have your route planned in advance and should try to find out about potential travel problems. You should check the night before to see that you have:

- Pens
- Pencils
- Erasers
- Watch
- Calculator with spare batteries
- Exam documentation and evidence of identity

You should not however bring paper or printed material into the examination room.

Select the right questions

You should select the optional questions you feel you can answer best, basing your selection on:

- The topics the question covers
- The requirements of the question
- How easy it will be to apply the requirements
- The availability of easy marks

Plan your time

You need to make sure that you answer the correct number of questions. You should also ensure that you spend the right length of time on each question. This will be determined by the number of marks available. Each mark carries with it a **time allocation of 1.8 minutes**. A 25- mark question therefore should be selected, completed and checked in 45 minutes. If you have not finished a question when the budgeted time is up, you should leave it and maybe return to it once you have completed the rest of the paper. The number of marks will also help to indicate the expected length and require depth of the answer.

Read the requirements carefully

It's often best to read the requirements first. To score well, you must follow the requirements of the question, understanding what aspects of the subject area are being covered, and the tasks you will have to carry out. Failing to provide everything the examiner asks for will limit the marks you can score. The requirements will also help you identify the most important information in the scenario more rapidly. They may specify that your answer has to be in a particular format, for example a letter. You will limit the marks you can score if you do not use that format.

Read the question scenarios carefully

Reading the question scenarios carefully will help you decide what issues to discuss, what techniques to use and how your answer should be structured.

Plan your answers

Five minutes of planning plus twenty-five minutes of writing is certain to earn you more marks than thirty minutes of writing. When you are planning, you should ensure your answer is structured in accordance with the requirements of the question. You should also consider whether you should group connected points under a single header and how long each part of the answer should take to write. You should confirm before you start writing that your plan:

- Makes sense
- Covers all relevant points
- Does not include irrelevant material or repetitions

Your answer will need to be a full response to the requirements of the question. The markers cannot award marks for what they think you know but have not written down.

Demonstrate judgment

Examiners are not just looking for a display of knowledge; they want to see how well you can apply the knowledge you have. Evidence of application and judgement includes writing answers that:

- Only contain relevant material
- Support the statements you make with adequate reasons and arguments
- Use the material in scenarios to support your answer
- Discuss the limitations and assumptions of the techniques you use
- Make reasonable recommendations that follow from your discussion.

Avoid poor exam technique

There are various signs of a lack of judgement and poor exam technique. The most serious one is setting out all you know about a subject and paying no attention to the question requirements. Answers that give a vague broad outline or which contain contradictions also won't score well. There is also no need to write out the question requirements – this wastes valuable time. You will also decrease your chances by writing an answer with insufficient depth, for example providing a single line bullet point list when the examiner asks you for a discussion.

Present your work clearly

Markers will only be able to give you credit if they can read your writing, so you must write legibly. You can help the marker by writing on alternate lines and leaving adequate space between words, sentences and paragraphs. There are also plenty of other things that will make it more difficult for markers to reward you. Examples include:

- Not showing clearly which question you're attempting
- Scattering question parts from the same question throughout your answer booklet
- Not showing clearly workings or the results of your calculations
- Writing paragraphs that are too long or which lack headers
- Writing sentences that are too long - you should normally restrict yourself to one idea per sentence.

Stay until the end of the exam

You should use any spare time to check and recheck your script. This includes checking you have:

- Filled out the candidate details correctly
- Labelled question parts and workings clearly
- Used headers and underlining effectively
- Ensured that spelling, grammar and arithmetic are correct

APPENDIX: TECHNICAL KNOWLEDGE REQUIRED FOR STANDARDS



Appendix A:

Technical knowledge required – Accounting Standards: Part 1

The following table identifies where technical knowledge will be dealt-with and the depth of treatment required. These appendices will be updated as and when new standards become effective. The depth of treatment is graded as follows

- 3: Awareness of content in terms of key concepts and principles
- 2: Application skills developed to address simple transactions and scenarios
- 1: Application and evaluation skills developed to address complex transactions and scenarios

	Knowledge	Application	Advisory
Preface to IFRS		1	1
Conceptual Framework for Financial Reporting	2	1	1
IAS 1 Presentation of Financial Statements	1	1	1
IAS 2 Inventories	2	1	1
IAS 7 Statement of Cash Flows	2	1	1
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	2	1	1
IAS 10 Events after the Reporting Period		1	1
IAS 11 / (IFRS 15) Construction Contracts		1	1
IAS 12 Income Taxes		2	1
IAS 16 Property, Plant and Equipment		1	1
IAS 17 / (IFRS 16) Leases		2	1
IAS 18 / (IFRS 15) Revenue	3	1	1
IAS 19 Employee Benefits			1
IAS 20 Accounting for Government Grants and Disclosure of Government Assistance		1	1
IAS 21 The Effects of Changes in Foreign Exchange Rates		2	1
IAS 23 Borrowing Costs		2	1
IAS 24 Related Party Disclosures			1
IAS 26 Accounting and Reporting by Retirement Benefit Plans			2
IAS 27 Consolidated and Separate Financial Statements		1	1
IAS 28 Investments in Associates and Joint Ventures		1	1
IAS 29 Financial Reporting in Hyperinflationary Economies		3	1
IAS 32 Financial Instruments: Presentation			2
IAS 33 Earnings per Share		2	1

	Knowledge	Application	Advisory
IAS 34 Interim Financial Reporting			2
IAS 36 Impairment of Assets	3	1	1
IAS 37 Provisions, Contingent Liabilities and Contingent Assets	3	1	1
IAS 38 Intangible Assets		2	1
IAS 39 Financial Instruments: Recognition and Measurement			2
IAS 40 Investment Property		2	1
IAS 41 Agriculture		2	1
IFRS 1 First-Time Adoption of IFRS		2	1
IFRS 2 Share-based Payment			2
IFRS 3 Business Combinations		2	1
IFRS 4 Insurance Contracts			3
IFRS 5 Non-current Assets Held for Sale and Discontinued Operations			1
IFRS 6 Exploration for and Evaluation of Mineral Resources		2	1
IFRS 7 Financial Instruments: Disclosures			2
IFRS 8 Operating Segments		2	1
IFRS 9 Financial Instruments			2
IFRS for SMEs		1	1
IFRS 10 Consolidated Financial Statements		2	1
IFRS 11 Joint Arrangements		2	1
IFRS 12 Disclosure of Interests in Other Entities		2	1
IFRS 13 Fair Value Measurement		2	1

Technical knowledge *not currently used* – IPSAS Accounting Standards: Part 2

Note. Confirmation is required as to the role of IPSAS in the public sector modules.

	Financial Reporting	
Financial Reporting Under the Cash Basis of Accounting (Parts 1 and 2)	1	
Preface to International Public Sector Accounting Standards	Not required	
Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities 2013	Not required	
IPSAS 1 Presentation of Financial Statements	No IPSAS required	
IPSAS 2 Cash Flow Statements		
IPSAS 3 Accounting Policies, Changes in Accounting Estimates and Errors		
IPSAS 4 The Effects of Changes in Foreign Exchange Rates		
IPSAS 5 Borrowing Costs		
IPSAS 6 Consolidated and Separate Financial Statements		
IPSAS 7 Investments in Associates		
IPSAS 8 Interests in Joint Ventures		
IPSAS 9 Revenue from Exchange Transactions		
IPSAS 10 Financial Reporting in Hyperinflationary Economies		
IPSAS 11 Construction Contracts		
IPSAS 12 Inventories		
IPSAS 13 Leases		
IPSAS 14 Events after the Reporting Date		
IPSAS 15 Financial Instruments: Disclosure and Presentation		
IPSAS 16 Investment Property		
IPSAS 17 Property, Plant and Equipment		
IPSAS 18 Segment Reporting		
IPSAS 19 Provisions, Contingent Liabilities and Contingent Assets		
IPSAS 20 Related Party Disclosures		
IPSAS 21 Impairment of Non-Cash-Generating Assets		
IPSAS 22 Disclosure of Financial Information about the General Government Sector		
IPSAS 23 Revenue from Non-Exchange Transactions		
IPSAS 24 Presentation of Budget Information in Financial Statements		
IPSAS 25 Employee Benefits		
IPSAS 26 Impairment of Cash-Generating Assets		

	Financial Reporting	
IPSAS 27 Agriculture		
IPSAS 28 Financial Instruments: Presentation		
IPSAS 29 Financial Instruments: Recognition and Measurement		
IPSAS 30 Financial Instruments: Disclosures		
IPSAS 31 Intangible Assets		
IPSAS 32 Service Concession Arrangements: Grantor		
Exposure Draft 56, The Applicability of IPSASs		

Technical knowledge requirements – International Standards on Auditing: Part 3

	Knowledge	Application	Advisory
200 Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing		1	1
210 Agreeing the Terms of Audit Engagements		2	1
220 Quality Control for an Audit of Financial Statements		2	1
230 Audit Documentation		2	1
240 The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements		3	1
250 A Consideration of Laws and Regulations in an Audit of Financial Statements		2	1
250 The Auditor's Right and Duty to Report to Regulators in the Financial Sector		3	2
260 Communication with Those Charged with Governance		2	1
265 Communicating Deficiencies in Internal Control to Those Charged with Governance and Management		2	1
300 Planning an Audit of Financial Statements		2	1
315 Identifying and Assessing the Risks of Material Misstatement Through Understanding the Entity and its Environment		2	1
320 Materiality in Planning and Performing an Audit		2	1
330 The Auditor's Responses to Assessed Risks		2	1
402 Audit Considerations Relating to an Entity Using a Service Organisation		3	2
450 Evaluation of Misstatements Identified during the Audit		2	1
500 Audit Evidence		1	1
501 Audit Evidence - Specific Considerations for Selected Items		2	1
505 External Confirmations		1	1
510 Initial Audit Engagements - Opening Balances		1	1
520 Analytical Procedures		2	1
530 Audit Sampling		2	1
540 Auditing Accounting Estimates, Including Fair Value Accounting Estimates and Related		2	1

STUDENT HANDBOOK // 8: Appendix: Technical knowledge required for standards

	Knowledge	Application	Advisory
Disclosures			
550 Related Parties			1
560 Subsequent Events		2	1
570 Going Concern		2	1
580 Written Representations		2	1
600 Special Considerations – Audits of Group Financial Statements (including the Work of Component Auditors)		2	1
610 Using the Work of Internal Auditors		2	1
620 Using the Work of an Auditor's Expert		2	1
700 The Auditor's Report on Financial Statements		1	1
705 Modifications to the Opinion in the Independent Auditor's Report		1	1
706 Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report		1	1
710 Comparative Information – Corresponding Figures and Comparative Financial Statements		1	1
720 The Auditor's Responsibility Relating to Other Information in Documents Containing Audited Financial Statements		2	1
720 The Auditor's Statutory Reporting Responsibility in Relation to Directors' Reports		2	1
800 Special Considerations – Audits of Financial Statements prepared in Accordance with Special Purpose Frameworks			3
805 Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or items of a Financial Statement		2	1
810 Engagements to Report on Summary Financial Statements		2	1
International Standards on Review Engagements (ISREs)			
2400 Engagements to Review Financial Statements			2
2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity			2

	Knowledge	Application	Advisory
International Standards on Assurance Engagements (ISAEs)			
3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information		3	2
3400 The Examination of Prospective Financial Information		3	2
3402 Assurance Reports on Controls at a Service Organisation		3	2
3410 Assurance Engagements on Greenhouse Gas Statements		3	2
International Standards on Related Services (ISRSs)			
4400 Engagements to Perform Agreed-upon Procedures Regarding Financial Information			2
s4410 Compilation Engagements (Revised March 2012)			2
IFAC Statements			
ISQC1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services		2	1
Code of Ethics		1	1
Other guidance			
FRC Briefing Paper: Professional Scepticism – establishing a common understanding and reaffirming its central role in delivering audit quality		2	1

Technical knowledge requirements – INTOSAI Standards on Auditing: Part 4

1	PERFORMANCE AUDIT STANDARDS	
	ISSAI	Advisory
	ISSAI 300 - Fundamental Principles (2013)	1
	ISSAI 3000 - 3100 Guidelines and Standards (2004,2010)	1
	Other relevant standards.	
	ISSAI 1 - Lima Declaration (1977)	3
	ISSAI 10 - Mexico Declaration (2007)	3
	ISSAI 12 - Values and Benefits (2013)	3
	ISSAI 20 - Accountability and Transparency (2010)	3
	ISSAI 30 - Code of ethics (1998)	3
	ISSAI 40 - Quality Controls for SAIs (2010)	3
	ISSAI 100 - Fundamental Principles Auditing (2013)	3
2	COMPLIANCE AUDIT STANDARDS	
	ISSAI 4000 Compliance Audit Guidelines - General Introduction	2
	ISSAI 4100 - Compliance Audits Guidelines - For Audits performed separately from audit of financial statements	1
	ISSAI 4200 - Compliance Audits Guidelines - Compliance audits related to audit of financial statements.	1
3	FINANCIAL AUDIT STANDARDS	
	ISSAI 1200 - Overall Objectives of the independent Auditor and the conduct of an audit in accordance with International Standards of Auditing	2
	ISSAI 1210 - Agreeing terms of Audit engagements	2
	ISSAI 1220 - Quality Control for an Audit of Financial Statements	2
	ISSAI 1230 - Audit Documentation	3
	ISSAI 1240 - The Auditor's Responsibilities relating to fraud in an audit of Financial Statements	2
	ISSAI 1250 - Consideration of Laws and Regulations in an Audit of Financial Statements	3
	ISSAI 1260 - Communication with those charged with Governance	3
	ISSAI 1265 - Communicating deficiencies in internal Controls to those charged with Governance and Management	2

	ISSAI 1300 - Planning an Audit of Financial Statements	1
	ISSAI 1315 - Identifying and Assessing the Risks of Material Misstatement through understanding the Entity Environment	1
	ISSAI 1320 - Materiality in Planning and Performing an Audit	1
	ISSAI 1330 - The Auditor's Response to Assessed Risks	1
	ISSAI 1402 - Audit Considerations relating to an Entity Using a Service Organisation	3
	ISSAI 1450 - Evaluation of Mistatements Identified during the audit	1
	ISSAI 1500 - Audit Evidence	1
	ISSAI 1501 - Audit Evidence - Specific Considerations for Selected Items	1
	ISSAI 1505 - External Confirmations	1
	ISSAI 1510 - Initial Audit Engagements - opening balances	3
	ISSAI 1520 - Analytical Procedures	1
	ISSAI 1530 - Audit Sampling	1
	ISSAI 1540 - Auditing Accounting Estimates, including Fair Value Accounting Estimates and Related Disclosures	3
	ISSAI 1550 - Related Parties	3
	ISSAI 1560 - Subsequent Events	2
	ISSAI 1570 - Going Concern	2
	ISSAI 1580 - Written Representations	2
	ISSAI 1600 - Special Considerations - Audits of Group Financial Statements	2
	ISSAI 1610 - Using the Work of Internal Auditors	3
	ISSAI 1620 - Using the Work of an auditor's Expert	3
	ISSAI 1700 - Forming an Opinion and Reporting on the Financial Statements	1
	ISSAI 1710 - Comparative Information	3
	ISSAI 1720 - The Auditor's Responsibilities Relating to Other Information in Documents containing Audited Financial Statements	3
	ISSAI 1800 - Special Considerations - Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks	2
	ISSAI 1810 - Engagements to Report on Summary Financial Statements	3
4	ENVIRONMENTAL AUDITS	
	ISSAI 5120 - Environmental Audits and Regularity Audits	1
5	GUIDELINES ON SPECIFIC SUBJECTS	
	5000 Series	3

