

Our Vision

Achieve Unrivalled Regulatory Excellence and Become a Globally Recognised Professional Accountancy Institute.

Our Mission

To Empower our Members and Partner With Stakeholders to Serve the Public Interest Through Regulation of the Accountancy Profession in Rwanda.

Our Core Values

- Professionalism
- Responsibility to society
- Integrity
- Innovation

Foreword

This syllabus is a product of research and careful benchmarking against globally-recognised qualifications. The International Federation of Accountants (IFAC) International Education Standards for Accountants (IESs) were taken in to account in its development. CPA Ireland (CPA I) played a leading role as lead consultants in its development. With more than 70 years of regulation of and examining of accountants in Ireland, CPA I was an appropriate and ideal partner to work with. This qualification is therefore internationally benchmarked to ensure global recognition and marketability of CAT (R) qualification holders.

The 2008 World bank report on observance of standards and codes in accounting and auditing (ROSC - A&A) among other things recommended that iCPAR establishes a mechanism for qualifying professional accountants to enable Rwanda to realise a critical mass of highly qualified accountants to serve the rising demand for accountants in a rapidly expanding economy.

The National Vision 2020 seeks to achieve a skilled labour force for Rwanda. This is a key driver for economic development. This qualification program therefore is a direct contribution to the realisation of this objective. The accountancy profession will further use its expertise to stimulate national growth through not only qualifying highly productive graduates but use this as an avenue to attract more investors by providing quality advice and support to the business community as a way to boost trade and investment.

Establishing this qualification not only enables us meet the national goal stated above but it will provide opportunity for us to fulfil the iCPAR's legal mandates as outlined in the Accountants Law Number 11 of 2008. I wish to note that consistent with our strategic Vision and Mission, this syllabus will serve as an important instrument for meeting the goals we have set out to fulfil.

This syllabus is a culmination of a comprehensive due process that included wide consultation with stakeholders including universities, government ministries, members of the Institute, students, among others. Above all, consultations were made with our regional partners. We sought input from globally recognised members of the International Federation of Accountants. These involved consultations with institutes such as Uganda (ICPAU), Kenya (ICPAK & KASNEB), Tanzania (NBAA) among others. We thank them for their generous and insightful contribution.

I sincerely thank the Government of Rwanda for funding this program. I'm truly grateful to all who contributed towards making this process a success. This is just the beginning of a long journey. We look forward to your continued active participation in the development and growth of the accountancy profession in Rwanda.

Peter Rutaremara

iCPAR President, The 11th of May 2012

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1.0 ABOUT iCPAR

1.1 Background and Legal Status

The Institute of Certified Public Accountants of Rwanda (iCPAR) is a Professional Accountancy Organization (PAO) established in 2008. iCPAR receives its mandate from Law Number 11/2008 to regulate the Accounting profession in the Republic of Rwanda. ICPAR is the only body authorized by law to register and grant practicing certificates to Certified Public Accountants (CPAs) and Certification for Certified Accounting Technicians (CATs) in Rwanda. Certified Accounting Technician (CAT) certificate holders that are registered as members of iCPAR are entitled to the CAT (R) designation.

The World Bank ROSC Report of 2008 identified numerous gaps in Rwanda in the accounting profession. These included the lack of a national professional accountancy body in Rwanda. Other issues were identified in the following areas;

- Except for larger entities, the corporate sector in general did not have access to professionally qualified accountants;
- The accountants of many corporate entities lacked the required skills to prepare financial statements in accordance with applicable accounting and reporting requirements
- Accountancy education and training capacity was inadequate to effectively meet the needs of the Rwandan economy;
- Professionals working in small accountancy firms found it difficult to stay updated on recent developments in accounting and auditing. These practitioners were constantly struggling to keep their client base and earn enough to stay afloat;
- The accounting curricula did not focus on IFRSs and ISAs in higher education accounting degree programs
- Academic education in accounting also lacked adequate coverage of professional values and ethics.

The Institute operates to serve the public interest and has wide-ranging responsibilities, including promotion and adherence to financial reporting, responsibility for auditing oversight and ethical issues. The Institute has over all responsibility for regulating and promoting efficient accounting practices

in the public interest.

This Syllabus therefore serves to give effect to the provisions of the Accountants Law which requires iCPAR to develop teaching programmes, to organize examinations and to issue certificates in matters relating to the accounting profession.

We believe this will, in both the immediate and the longer term, contribute to the realisation of Vision 2020 and in particular the development of adequate skilled human resources in the field of accounting for Rwanda and the wider region.

1.2 Governance

iCPAR is headed by a Governing Council comprising of ten Council members. Council's policy decisions are executed by the Secretariat headed by a Chief Executive. The Secretariat executes the Institute Policies with leadership and support from the following organs,

- a) The General Assembly
- b) The Governing Council
- c) Technical Commissions

1.3 Partners and Collaborators

iCPAR has signed a Mutual Recognition Agreement (MRA) with East Africa Community Institutes comprising Burundi, Uganda, Tanzania and Kenya.

The MRA aims to support the growth of the accountancy profession in the East Africa Community region. This process is expected to strengthen and enhance the contribution of the accountancy profession to development of the region.

iCPAR has entered into agreements with organizations in different sectors to realize rapid progress in delivery of service to the public. This will in part be a gateway for iCPAR graduates to have a reliable entry route into the job market. A comprehensive catalogue of collaborators is available at the iCPAR Secretariat.

1.4 Responsibilities of iCPAR

Article 7 of the Accountants Law Number 11 of 06/05/2008 outlines the following responsibilities of iCPAR;

1. To regulate the accountancy profession;
2. To preserve the integrity of the accounting profession;
3. To promote the competence and the capacities of its members;
4. To provide to its members professional education in accounting and other related disciplines;
5. To issue regulations for promoting the functioning of the Institute;
6. To take disciplinary measures against members unable to perform their duties and guilty of misconduct;
7. To promote and preserve the professional independence of its members while exercising their profession;
8. To promote the common interests of its members;
9. To advocate for members in the country and abroad;
10. To promote the recognition of the Institute in the country and abroad;
11. To issue and to promote the implementation of accounting and auditing standards in public organs and private sector;
12. To provide advisory commentary on curricula for any accountancy courses;
13. To develop teaching programmes, to organize examinations and to issue certificates in matters relating to accounting profession;
14. To make contribution on bills relating to the accounting profession;
15. To give advice to Government on matters relating to the accounting profession;
16. To take appropriate measures enabling the Institute to perform its responsibilities;
17. To issue licences for exercising the accounting profession to qualifying members requesting such licenses and to withdraw them in case of misconduct;
18. To determine any other functions aimed at promoting the accounting profession;
19. To promote membership of the Institute in IFAC;

2.0 The iCPAR Qualification Program

iCPAR offers the following examinations:

- 2.0.1 Certified Public Accountants (CPA) Examination: for persons who wish to qualify and work as professional accountants, auditors, finance managers, tax specialists and financial consultants.
- 2.0.2 Certified Accounting Technicians (CAT) Examination: for persons who wish to qualify and work as middle level accountants and technical support specialists in auditing, taxation and other related fields.

2.1 Objectives of The iCPAR Examinations

The Objectives of the iCPAR examinations are to produce:

- a) Highly qualified professionals in accountancy and auditing with technical competency to prepare, maintain, present and analyse financial information in oral and written forms.
- b) Highly qualified accounting technicians with the ability to make sound judgement and informed business decisions.
- c) Business advisers who act with integrity by upholding ethical standards and professional values and attitudes in their conduct when discharging duties.
- d) Professionals who are able to create and deliver innovative solutions as responsible corporate citizens able to address business problems in a complex and dynamic business environment.

Each level in the syllabus is preceded by the learning/course objectives. This guides candidates in the program to focus on specific outcomes.

3.0 EXAMINATION RULES AND REGULATIONS

1. The Examinations held by the Institute are divided into two separate stages and are designated as follows:
 1. Level 1
 2. Level 2
2. The Examinations of the Institute shall be held in such places as the Institute may from time to time determine during the months of December and June in each year or at such further or other times as the Institute may from time to time direct.
3. The dates of the Examinations are published on the iCPAR website and all examination students receive written confirmation of the date, time and place of each examination.
4. A fully completed Examination Entry Form must be dispatched so as to reach iCPAR not later than 15th August in the case of the first diet of examinations in a calendar year and 15th February in the case of the second diet of examinations in a calendar year or at such other times as the Institute may from time to time direct.
5. Copies of examination papers may be downloaded from the iCPAR website or purchased from the Institute.
6. Each student presenting for the examinations of the Institute must:
 - Be a registered student of the Institute,
 - Ensure that his / her Examination Entry form has been received by the

- Institute on-time and have paid the appropriate examination fee,
 - have paid the appropriate annual student subscription (payable on 1 July each year),
 - have his / her CPA Student I.D. card at the examination centre,
 - have his / her CPA current examination number at the examination centre.
7. Exemptions. Persons holding recognised academic qualifications, who register as students of the Institute, may be granted certain exemptions based on the relevance of these qualifications.
 8. Students must obtain a mark of 50 or more to be in any subject to be awarded a pass in that subject.
 9. Examinations. Students are provided with all paper, i.e. examination answer booklet, graph paper, log books and script envelope.
 10. Students must bring their own pens, pencils, correction fluid, erasers, rulers, etc.
 11. Calculators are permitted - provided they are noiseless, battery operated and do not issue printouts.
 12. All tables relevant to examinations will be provided, including tax rates, personal reliefs or allowances.
 13. Questions involving a knowledge of new legislation will not be asked within 6 months of the passing of the relevant legislation.
 14. The Institute's examinations at Level 1, Level 2 are not "open book" examinations. Therefore, students sitting examinations at these stages are not permitted to bring reference books, notes, or any other material written or otherwise into the examination hall.
 15. All unauthorised material introduced by students into an examination hall must be submitted to the Examination Invigilator, and may be retained for transmission to iCPAR if so required. Students are not permitted to hold mobile phones, lap top computers, electronic notebooks, or other electronic communications devices in the examination hall. All mobile phones, lap top computers, electronic notebooks and other electronic communications equipment must be submitted to the Examination Invigilator before any examination commences. The Institute cannot accept any responsibility for loss or damage to any property brought into an examination hall.
 16. In the event that, for whatever reason, the commencement or conduct of an examination is delayed or disrupted, the Examination Invigilator will be entitled to make such special arrangements for the conduct of the

examination as to him / her seem appropriate and he / she shall prior to action report to iCPAR on the circumstances of the case and on the special arrangements then made for the conduct of the examination.

17. Results will be send to candidates and will also be posted on the website for ease of access.
18. If a student is dissatisfied with the results received in an examination, the student has the right to apply for a recheck. A recheck is carried out by an External Examiner. iCPAR does not enter into discussion with the student on the results of a recheck. An application for a recheck must be accompanied by a fee, as determined by Council and received by the Institute not later than 14 days from the date of posting of results. Council shall alter the amount of this fee from time to time. Any recheck application received after 14 days from the date of posting of results will not be submitted to the External Examiner.
19. The examination answer scripts remain the property of iCPAR.
20. Students who have Special Needs. Extra time and / or special facilities to answer examinations may be granted by iCPAR to students who have special needs which affect materially their ability to answer examinations within the required time. The decision of iCPAR is final and iCPAR will determine how much extra time and / or special facilities (if any) may be granted. An application for such special arrangements should be made at least two weeks before the examination entry closing date and referred to in the entry form. Full details of the special needs should be given, together with a medical report and a supporting letter from the candidate. Prior to making such an application, an applicant must contact iCPAR by email, letter or telephone, to advise of his / her intention to apply for a special arrangement.
21. It is the policy of the Institute not to refund fees paid.
22. Overseas Students. Where prior permission has been given by iCPAR a student may sit his / her examination at an overseas centre. Where such permission has been granted, the student must sign the necessary declaration form, issued by iCPAR, and agree to any additional conditions as decided upon by iCPAR before being allowed to sit the examination.
23. Students sitting the Taxation examinations are not expected to memorise tax rates or personal reliefs or allowances. This information will be provided with the examination papers.

24. Students not resident in the Rwanda, may, at the discretion of iCPAR be permitted to answer the examinations papers in accordance with the law in force in their own countries, provided this is clearly stated on their form of application. iCPAR must be in receipt of a written request at least six months prior of the examination.
25. In the event of student's examination answer scripts being stolen, lost in transit or otherwise misplaced prior to the examination results being approved by iCPAR, and the results not being available to iCPAR, then , at the discretion of iCPAR, it may be deemed that those students did not sit the relevant examination(s). The decision of iCPAR shall, without prejudice, be final in any such circumstances.
26. An event as referred to in Examination Regulation 25 a student shall have no adverse impact on any such student's obligations to pass the relevant level of examinations within the prescribed period.
27. iCPAR will arrange for a substitute examination, or examinations, to be sat within two months of the date of event as referred above.
28. Following an event as referred to in Examination Regulation 25 a student may opt to sit the substitute examination(s) or defer sitting the relevant examination(s) until the next scheduled sitting.
29. Whichever substitute examination(s) that a student elects to sit then the result(s) achieved in this, (these) examination(s) will be considered as part of the overall result(s).
30. No examination fee will apply for the sitting of any such substitute examination(s)

3.1 Entry Requirements

- Senior six examination Score of 15 points or more OR
- Senior six examination certificate with two (2) years relevant work experience and other Certificates from recognized institutions (to be considered on case by case basis)

3.2 Progression to Next Level

- Candidate(s) may progress through the system at their own pace within a six year period.
- Candidate(s) will not be automatically eligible to present themselves for examinations after a period of six years has elapsed from the date on which they first registered as a student of iCPAR. Such persons will be

required to apply to us and obtain authorisation to present themselves for assessment after suitable further education.

- Candidates who have passed ALL BUT ONE of the papers at Level 1, will be permitted to present themselves at Level 2, for that remaining subject and for some or all of the subjects at Level 2. The following conditions will apply to such candidates:-
 - A separate entry form and fee must be submitted for Level 1 and Level 2 examinations
 - Candidates unsuccessful in Level 1 subject and obtaining a pass in one or more subjects at Level 2 will be required to re-present for Level 1 subject, and
 - They will not be required to re-sit any subject(s) which they have passed at Level 2
- ONLY under certain circumstances and subject to written permission from iCPAR may candidate(s) who have passed two of the five Level 1 papers (having attempted all five) after the publication of the results in any year:-
 - May enrol on a full-time or part-time course leading to the Level 2 examination
 - Must re-sit the outstanding Level 1 papers at the subsequent session, and
 - May NOT sit the Level 2 prior to passing the outstanding Level 1 papers, and
 - Will become eligible to sit Level 2 at the session immediately succeeding that in which the outstanding Level 1 papers are passed

NOTE:

Students with two subjects outstanding from Level 1 are not automatically eligible to enter into Level 2 unless permission has been granted in writing by iCPAR.

3.3 Annual Subscription

- 3.3.1 A registered student must annually renew studentship registration on the first day of July provided that the first renewal will take place on the first day of July following the date of registration.
- 3.3.2 A student who fails to renew registration within three months of the renewal date will be deemed to have allowed the registration to lapse and may thus forego the right to sit the examination until the renewal position is normalised. A student who fails to renew the registration for three consecutive years may be removed from the register of students.
- 3.3.3 A student who is removed from the register of students for failure to renew the registration may apply for re-registration provided that, if the application is accepted, the student shall;

- a) Pay the registration reinstatement fee
- b) Pay all arrears of the registration renewal fees

3.4 Registering for an Examination Sitting

Examination entries shall be submitted on the prescribed forms and shall be accepted from registered students only. Students registering for December examinations must be registered by 15th August of that year while the June examination entry deadline shall be the 15th February in that year.

Late entries may be accepted after the closing date for registration upon payment of a late entry fee which shall be an additional 25% of the normal examination entry fee.

3.5 Rules Governing Conduct of Students in the Examination Room

1. Students may not pass any information or material from one to another during an Examination unless expressly authorised by the Examination Invigilator to do so.
2. iCPAR reserves the right to withhold publication of the results of an examination student suspected of having been involved in any irregularity or misconduct in connection with an examination, pending the completion of investigations into the alleged irregularity or misconduct.
3. It is the duty of the Examination Invigilator to report to iCPAR all cases of irregularity or misconduct during an examination. The Examination Invigilator is empowered to discontinue the examination of a student suspected of misconduct and require him or her to leave the examination room. Any student failing to comply with this regulation may be liable for such penalties as iCPAR may determine.
4. All students must bring their CPA Student Identity Card to the examination centre. Students must leave the ID card on their examination desk for impromptu inspection at any stage during the examination. The ID card must be presented to the Examination Invigilator when the student is signing the sign-on sheet for each examination subject. Students must sign the sign-on sheet for each examination being taken. Failure by a student to sign on an examination sign-on sheet will mean that no result will issue to that student for that examination.
5. Students who arrive more than half an hour after the start of an examination are not admitted to the examination hall unless their lateness has been caused by exceptional circumstances beyond their control and only when permission for entry has been given by the

Examination Invigilator.

6. After an examination has begun, students who leave an examination hall without permission or unescorted will not be allowed to return until all other students in the examination hall have finished that session's examination(s).
7. Students who leave during an examination, not intending to return, must hand in their answers to the Examination Invigilator. Students may not leave a hall during the first or last half hour of any examination unless there are exceptional circumstances and only when permission has been granted by the Examination Invigilator.
8. At the close of an examination, students must remain seated until they are advised by the Examination Invigilator that they may leave.
9. When a particular examination is declared to be over, students must stop writing immediately and put down their pens. They will be given a short time to assemble their answer booklets and enclose their completed scripts in the envelope(s) provided. Where students are required to use separate envelopes for different sections of an examination, they must ensure that their completed scripts are enclosed in the appropriate envelopes for each section of the examination. Students are responsible for ensuring that all their answers are included in the appropriate envelope.
10. Students must sign the examination attendance record sheets before leaving the examination hall.

3.6 Sanctions on Breach of Examination Rules

1. Students are subject to iCPAR's Disciplinary process, where they are suspected of cheating and a complaint is made to the Institute. Firstly the Secretary reviews the complaint and if he/she is of the opinion that there may be a case to answer, it then is passed to the Disciplinary Committee. If the Disciplinary Committee determines: -
 - There is no prima facie evidence, it is dismissed.
 - That the incident is very minor it is left to rest on the file
 - That the incident is more serious it is sent for a FULL Disciplinary hearing with the Disciplinary Committee.

The Disciplinary Committee can issue sanctions ranging from:-

- Making a student repeat exams
 - Pay for course costs
 - Pay for fines
2. Where exam time periods are breached, the student may not sit any further examinations of the Institute. If there has been some exceptional or extenuating circumstance that adversely affected either the students studies or an examination itself then the student may apply for a “Concessionary Sitting”.

Any application for a concessionary sitting must:-

- Describe the exceptional or extenuating circumstance(s)
- Describe how the circumstance(s) adversely affected the student’s Studies and/or examination(s) performance
- Include relevant third party back up to the circumstances described
- A non- refundable application fee

Applications will be considered on a case by case basis. A concession will only be granted. When iCPAR is satisfied:

- That some unforeseen exceptional or extenuating circumstance(s) has/ have adversely affected a student’s studies and/or examination(s) performance
- That the exceptional or extenuating circumstance(s) has/have passed or been resolved

Applications for such concessionary sittings may only be made in the:

- Eight week period after the issuing of the results of the first (June) diet of examinations in a calendar year)
- Six week period after the issuing of the results of the second (December) diet of examinations in a calendar year and
- Six week period commencing January each year

A student making an application for a concessionary sitting must send the case in hard copy, (including original relevant supporting documentation) and a signed covering letter, to iCPAR, PO Box 3213, Kigali, Rwanda.

3.7 Summary of the CAT Syllabus

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3.8 CAT Syllabus

Introduction

The Accounting Technicians qualification is an important step towards a rewarding career in accountancy or business. The professional qualification can be obtained in as little as two years with a possibility of completing in one year for fast learners.

Having the Certified Accounting Technician qualification is a distinct advantage in the market place as it is seen by many employers as essential when they are hiring. Members can take up key roles in accounting practices, industry and in the public sector. Some students decide to continue studying and will use the Certified Accounting Technician qualification as a stepping stone into other professional accounting and taxation bodies. For instance many students pursue further accounting studies with professional bodies such as Institute of Certified Public Accountants of Rwanda. Such bodies can offer exemptions for the Certified Accounting Technician qualification.

CAT Syllabus

There are two stages of examinations at this level:

Level 1 (L1)

Level 2 (L2)

Stage: Level 1

Subject Title: L1.1 Introduction to Financial Accounting

Aim

The aim of this subject is to ensure that students acquire and understand the basic accounting fundamentals, knowledge of double-entry bookkeeping, accounting systems and accounts preparation.

Learning Outcomes

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

- An understanding of the different types of business entity and the accountant's role in an organisation
- The ability to identify the various user groups which need accounting information
- An understanding of accounting terminology, basic accounting concepts and principles
- An ability to record financial transactions in the books of original entry
- An understanding of and use of double entry system of bookkeeping to prepare a trial balance
- An ability to understand, explain and use control accounts, bank reconciliation statements and suspense accounts
- An understanding of the key features of financial statements
- An ability to prepare financial statements for sole traders and "not for profit" organisations

Syllabus:

ACCOUNTING FUNDAMENTALS

1. Types of Business Entity
 - Sole Traders
 - Partnerships
 - Limited Companies
2. **Function of financial accounting and management accounting**
 - Financial Accounting
 - Management Accounting
 - Nature, principles and scope of accounting
3. **The Accountant's role in an organisation**
 - Accountant's role and function in an organisation
4. **Accounting terminology**
 - Assets, liabilities, income, expenses
 - Drawings
 - Trade receivables (debtors) and Trade Payables (creditors)
 - Introduction to financial statements
5. **Basic accounting concepts and principles**
 - The business entity
 - The accounting equation
 - Underlying assumptions, accruals basis, going concern
6. **Users of accounting information and their information needs**
 - The objectives of financial statements
 - Users of accounting information and their information needs
 - The qualitative characteristics of accounting information
7. **Ethical issues and responsibilities accruing**
 - Ethical issues for the Accounting Technician
 - Ethical issues for managers, accountants and historical experience

DOUBLE ENTRY BOOK-KEEPING & ACCOUNTING SYSTEMS

8. **Form and content of accounting records**
 - Business transactions and the purpose of accounting records
 - Source documentation

- 9. Books of original entry**
- Books of original (prime) entry
 - Sales day book
 - Purchases day book
 - Sales returns day book
 - Purchase returns day book
- 10. Ledger accounting and double entry**
- Nominal Ledger
 - Double entry bookkeeping
 - The Journal
 - Posting from day books to nominal ledger
 - Sales & Purchases Ledger
 - Accounting for Vat
 - Irrecoverable VAT
 - Accounting for wages,
 - Salaries/wages control accounts
 - Extraction of the trial balance
- 11. Distinction between capital and revenue expenditure**
- Explanation of capital and revenue expenditure
 - Impact of incorrect treatment
- 12. Control Accounts**
- Understanding the purpose of control accounts
 - Receivables control accounts
 - Payables control accounts
 - Contra entries
 - Debit and credit balances at the beginning and end of an accounting period
 - Incomplete records
- 13. Bank Reconciliation statements**
- Bank statements and the banking system
 - Identification of errors and omissions
 - Updating the bank account in the ledger
 - Preparation of bank reconciliation statements
- 14. Accounting for errors and suspense accounts**
- Correction of errors
 - Types of errors and their impact on the trial balance
 - Correction of errors and journal entries

- Use of suspense accounts

15. Accounting for depreciation and disposal of assets

- Non- current assets register
- Definition of depreciation
- Calculation of depreciation using the straight line and reducing balance methods.
- Ledger accounting entries for depreciation
- Accounting for the disposal of non- current assets

ACCOUNTS PREPARATION

16. Key features of financial statements

- Cost of goods sold
- Accruals
- Prepayments
- Discounts
- Irrecoverable debts and allowances for receivables
- Non- Current Assets
- Depreciation using straight line method and reducing balance method
- Disposal of non- current assets
- Accounting for inventory
- Different valuation methods and their impact on reported profits

17. Preparation of financial statements for sole traders

- From the trial balance to financial statements
- The income statement as part of the double entry system
- Layout of financial statements

18. Preparation of accounts for “not for profit” organisations

- Financial statements for clubs and societies
- Receipts and payments accounts
- Income & expenditure accounts

Stage: Level 1

Subject Title: L1.2 Business Law

Aim

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

Learning Outcomes

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

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

Syllabus:

1. **Nature, Purpose and Classification of Law**

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

2. **Sources of Law**

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

3. **Administrative Law**

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

4. **The Court System**

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

5. Law of Persons

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

6. Law of Tort

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

7. Law of Contract

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

8. Sale of Goods

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

9. Agency

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

10. Hire Purchase

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

11. Negotiable Instruments

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

12. Company Law

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

13. Registration of a Company

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

14. Share Capital

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

15. Debt Capital

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

16. Membership of a company

- Ways of becoming a member

- Register of members
- Rights and liabilities of members
- Termination of membership

17. Shares

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

18. Meetings

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

19. Directors

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

20. The Secretary

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

21. Auditors

- Qualification, appointment and removal

- Remuneration of auditors
- Powers and duties
- Vacation of office

22. Company Accounts, Audit and Inspection

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

23. Corporate Insolvency

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

24. Alternatives to winding up

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

Stage: Level 1

Subject Title: L1.3 Business Management, Ethics and Entrepreneurship

Aim

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

Learning Outcomes

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

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

Syllabus:

1. Foundations of Business Management

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

2. Management

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

3. Marketing

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

4. Governance

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

5. Ethics

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

6. Entrepreneurship and self-employment

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

7. Entrepreneurial opportunities

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

8. Enterprise development

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

9. Entrepreneurial awareness and motivation

- Procedures involved in starting a business
- Sources of business finance, for example micro-finance

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

10. Business plan development

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

11. Current issues in entrepreneurship

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

12. Essential communication skills

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

13. Business communication

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

14. Technology and communication

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

15. Emerging trends in communication

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

Stage: Level 1

Subject Title: L1.4 Business Mathematics

Aim

The aim of this subject is to provide students with the tools and techniques to understand the mathematics associated with managing business operations. Probability and risk play an important role in developing business strategy. Preparing forecasts and establishing the relationships between variables are an integral part of budgeting and planning. Financial mathematics provides an introduction to interest rates and annuities and to investment appraisals for projects. Preparing graphs and tables in summarised formats and using spreadsheets are important in both the calculation of data and the presentation of information to users.

Learning Objectives:

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

- Demonstrate the use of basic mathematics and solve equations and inequalities.
- Calculate probability and demonstrate the use of probability where risk and uncertainty exists.
- Apply techniques for summarising and analysing data
- Calculate correlation coefficient for bivariate data and apply techniques for simple regression.
- Demonstrate forecasting techniques and prepare forecasts.
- Calculate present and future values of cash flows and apply financial mathematical techniques.
- Apply spreadsheets to calculate and present data.

Syllabus:

1. Basic Mathematics

- Use of formulae, including negative powers as in the formulae for the learning curve

- Order of operations in formulae, including brackets, powers and roots
 - Percentages and ratios
 - Rounding of numbers
 - Basic algebraic techniques and solution of equations, including simultaneous equations and quadratic equations
 - Graphs of linear and quadratic equations
 - Manipulation of inequalities
- 2. Probability**
- Probability and its relationship with proportion and percent
 - Addition and multiplication rules of probability theory
 - Venn diagrams
 - Expected values and expected value tables
 - Risk and uncertainty
- 3. Summarising and Analysing Data**
- Data and information
 - Tabulation of data
 - Graphs, charts and diagrams: scatter diagrams, histograms, bar charts and ogives.
 - Summary measures of central tendency and dispersion for both grouped and ungrouped data
 - Frequency distributions
 - Normal distribution
 - Pareto distribution and the “80:20” rule
 - Index numbers
- 4. Relationships between variables**
- Scatter diagrams
 - Correlation co-efficient: Spearman’s rank correlation coefficient and Pearson’s correlation coefficient
 - Simple linear regression
- 5. Forecasting**
- Time series analysis – graphical analysis
 - Trends in time series – graphs, moving averages and linear regressions
 - Seasonal variations using both additive and multiplicative models
 - Forecasting and its limitations
- 6. Financial Mathematics**
- Simple and compound interest
 - Present value(including using formulae and tables)

- Annuities and perpetuities
- Loans and Mortgages
- Sinking funds and savings funds
- Discounting to find net present value (NPV) and internal rate of return (IRR)
- Interpretation of NPV and IRR

7. Spreadsheets

- Features and functions of commonly used spreadsheet software, workbook, worksheet, rows, columns, cells, data, text, formulae, formatting, printing, graphs and macros.
- Advantages and disadvantages of spreadsheet software, when compared to manual analysis and other types of software application packages
- Use of spreadsheet software in the day to day work: budgeting, forecasting, reporting performance, variance analysis, what-if analysis, discounted cash flow calculations

Stage: Level 1

Subject Title: L1.5 Economics and the Business Environment

Aim

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

Learning Outcomes

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

- Explain economic concepts and terms and their uses and application.
- Explain the market environment and income determination.
- Analyse and discuss the impact of government policy and international economic institutions on economic issues.
- Apply micro economic techniques to interpret and explain business and consumer behaviour.
- Describe the modifying and opportunistic aspect of the particular market environment in which a firm operates.
- Discuss and analyse the factors determining the contribution of various

resources to the firm's revenue.

- Explain the upper and lower limits to income determination and the distribution of economic rents.
- Explain the national economic parameters within which business is conducted.
- Discuss the interrelationship of the various sectors within the economy.
- Describe the factors governing the operation of financial institutions and the significance of these for economic activity.
- Discuss the global forces that influence the open Rwandan economy.

Syllabus:

1. Concepts

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

2. The Firm in the Market Place

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

3. Influence of Competitors on Behaviour of Firms

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

4. Growth Strategies of Firms

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

5. Factor Markets and Income Determination

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

6. The Macroeconomic Environment

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

7. Government and the Macro-economy

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

8. Money and Banking

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

9. Global Economics

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

Stage: Level 2

Subject Title: L2.1 Financial Accounting

Aim

The aim of this subject is to ensure that students understand how role, function and basic principles of financial accounting and to prepare accounts for basic reporting entities in accordance with International Financial Reporting standards (IFRSs) Students should have an ability to analyse and interpret financial statements.

Learning Outcomes

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

- An understanding of the influence of legislation and accounting together with the standard setting process.
- Be able to recognise and comment on relevant ethical issues relevant to business owners, managers and accountants.
- The ability to prepare accounts from incomplete records, partnerships, limited companies, together with an understanding of the importance of cash to a business and to prepare cash flow statements for limited companies.

- The ability to use ratio analysis as a technique in decision making and performance evaluation.
- The ability to analyse and interpret financial statements

Syllabus:

1. Conceptual and regulatory framework

- Influence of legislation and accounting standards on the production of published accounting information for organisations.
- Impact of legislation on the preparation and reporting of financial statements
- Roles of the International Accounting Standards Board, The Standards Advisory Council and the International Financial Reporting Interpretations Committee.
- Application of International Accounting Standards and International Financial Reporting Standards to the preparation and presentation of financial statements.
- Framework for the Preparation and Presentation of Financial Statements
 - The objective of financial statements
 - Underlying Assumptions
 - Qualitative characteristics of financial statements
 - Elements of financial statements
- Standard setting process
 - Standard setting process
 - Accounting standards and the law on Published Accounts
 - The role of the stock exchange
- Internal and external auditors and ethical issues for the Accounting Technician
 - Role and duties of internal and external auditors
 - Internal control systems
 - Ethical issues and responsibilities accruing
- Content and application of specified accounting standards
 - Presentation of Financial Statements
 - Inventories
 - Cash Flow Statements
 - Accounting policies, change in accounting estimates and errors
 - Events after the Balance Sheet Date
 - Income taxes (excluding deferred tax)
 - Property, Plant and Equipment
 - Leases (Lessee accounting only)
 - Accounting for Government Grants and Disclosure of Government Assistant.
 - Provisions, Contingent Liabilities and Contingent Assets
- Professional ethical issues relevant to business owners, managers and

accountants.

- Understanding and application of ethical issues
- Government accounting
- General Introduction to Government Accounting
- The IPSAS regime and the public sector

2. Financial statements

- Financial statements for limited companies for internal and external purposes
 - Preparation of financial statements for limited companies
 - Differences between a sole trader and a limited company
 - Accounting records of a limited company
 - Capital structure of a limited company
 - Share premium account
 - Dividends
 - Reserves
 - Practical application of IAS/IFRS requirements
- Disclosure and filing requirements for limited companies
 - Format and filing requirements
 - Wording and layout of a Statement of Comprehensive Income (Income Statement) and Statement of financial Position (Balance sheet)
 - Size criteria for companies
 - Disclosure Requirements
 - Split of turnover
 - Details regarding staff numbers and remuneration
 - Movement in non-current assets
 - Details of taxes owing
- Cash flow statements for limited companies and an understanding of the importance of cash to the business entity
 - Preparation of cash flow statements in accordance with the IFRS regime
 - Importance of cash to a business entity
 - Preparation of reports on the interpretation of a Cash flow statement
- The accounts of manufacturing businesses
 - Classification of costs
 - Work in Progress
 - Preparation of the manufacturing account
- Preparation of accounts from incomplete records
 - Incomplete records
 - Preparation of accounts from incomplete records

3. Interpretation of financial statements

- Ratio Analysis of accounting information
- Broad categories of ratios
- Profitability and return on capital employed
- Long term solvency and stability
- Short term solvency and liquidity
- Efficiency
- Shareholders' investment ratios
- Interpretation of Financial Statements and explanation of ratios used
- Interpretation of Financial Statements
- Explanation of information provided by ratios
- Limitations of ratio analysis
- Preparation of reports for the users of accounting information as a tool in the decision making process
- Preparation of reports in a professional manner
- Ratio analysis in the decision making process

Stage: Level 2

Subject Title: L2.2 Information Systems

Aim

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

Learning Outcomes

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

- Explain the role of information systems in today's competitive business environment.
- Appraise and discuss the major management challenges to building and using information systems in organisations.
- Recognise and discuss ethical, social, and legal issues in the design and use of information systems.
- Analyse how information systems support various business strategies for competitive advantage.
- Analyse and discuss the challenges posed by strategic information systems and management solutions.
- Examine the role of Internet technology in facilitating management and

- coordination of internal and inter-organisational business processes.
- Assess the challenges posed and opportunities offered by electronic business and electronic commerce and management solutions.
- Identify the challenges posed and opportunities offered by data resource management and management solutions.
- Evaluate the challenges of managing IT infrastructure and management solutions.
- Discuss alternative methods for building information systems and alternative methodologies for modelling systems.
- Explain what 'eXtensible Business Reporting Language' (XBRL) is and describe how it improves the reliability and ease of communicating complex financial information among internal and external users.
- Critically analyse Information Technology based case studies, thus incorporating their strategic and practical knowledge of Information Systems to real life business situations.

Syllabus:

1. The Digital Firm

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

2. Types of Information Systems in Business

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

processes.

- Transaction Processing Systems.
- Office Information Systems.

3. Functions of Information Systems

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

4. Electronic Business & Mobile Commerce

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

5. Information Technology

5.1 Computer Hardware

- The stages of IT infrastructure evolution.
- The technology drivers of IT infrastructure evolution.
- Contemporary computer hardware platform trends.

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

5.2 Computer Software

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

5.3 Telecommunications and Networks

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

5.4 Database and File Organisation

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

6. Organisational Support Systems

6.1 Knowledge Based Systems

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

6.2 Management Decision Support Tools

- Decision Support Systems.
- Group Decision Support Systems.

- Executive Support Systems.
- Knowledge Working

7. Information System Development

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

8. Feasibility Study & Business Value of Systems

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

9. System Security and Control

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

Stage: Level 2

Subject Title: L2.3 Management Accounting

Aim

The aim of this subject is to ensure that students develop a knowledge and understanding of the various cost accounting principles, concepts and

techniques appropriate for planning, decision-making and control and the ability to apply these techniques in the generation of management accounting reports.

Learning Outcomes

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

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

Syllabus:

1. The Role of the Management Accountant

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

2. Cost Accumulation Systems

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

3. Costing Methods

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

4. Information for Decision Making

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

5. Information for Planning and Control

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

Stage: Level 2

Subject Title: L2.4 Taxation

Aim

The aim of this subject is that students develop a knowledge and understanding of the workings of the tax system under the specified tax heads.

This knowledge is applied in the calculation of tax liabilities and the identification of basic tax saving measures.

Learning Outcomes

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

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

Syllabus:

1. Theory of Taxation

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

2. Taxation of Income of Persons

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

3. Capital Deductions

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

4. Tax Administration – Administration of Income Tax

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

5. Administration of Value Added Tax

- Introduction and development of VAT in a country
- Classification of taxable goods and services
- Exempt supplies
- Registration and de-registration of taxable persons
- Rights and privileges of a VAT registered person
- Accounting for VAT, taxable value, time of supply
- Charge of tax, deductions of input tax
- Apportionment method of input tax
- VAT records
- VAT due for payment/credit
- Remission, rebate and refund of VAT
- Collection and recovery of tax
- Offences, penalties and interest
- Requirements of objections and appeals

- Compliance management: reconciliation of returns and compliance checks
 - Tax audits; normal audit; in-depth audit
- 6. Administration of customs taxes and excise taxes**
- Customs procedures
 - Tax powers and rights to revenue
 - Import and export duties
 - Goods subject to customs control
 - Valuation of imports and exports
 - Prohibitions and restriction measures
 - Transit goods and bond securities
 - Excisable Goods
 - Rules of origin and their economic consequences
 - East African Community Customs Management Act
- 7. Taxation of specific sources of Income**
- Dividends
 - Interest
 - Rent
 - Royalties
 - Pension
 - Other gains or profits
- 8. Other Revenue Sources**
- Miscellaneous revenue sources, inspection charges,
 - Trade licences, airport taxes, stamp duties, property rates, petroleum levy, sugar levy, betting and gaming tax
 - New taxes, levies and charges

Stage: Level 2

Subject Title: L2.5 Auditing

Aim

To develop knowledge and understanding of the audit process from the planning stage through to the reporting stage and the techniques used in the conduct of internal and external audits.

Learning Outcomes

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

- Explain the rules of professional conduct relating to the ethics of integrity, objectivity, independence and confidentiality and undertake audit procedures accordingly.
- Identify control objectives and weaknesses for an accounting system under review.
- Assess audit risks, produce an audit plan and design appropriate audit procedures.
- Carry out appropriate audit procedures in accordance with an audit plan on the basis of a validly selected sample.
- Draw valid conclusions from the results of audit tests
- Prepare draft reports relating to an audit assignment

Syllabus:

1. The Business Environment

- The nature of accounting records, audit and the audit report
- Requirements of becoming an auditor
- Duties of an Auditor
- Responsibilities of Auditors
- Fraud and Error
 - Liability to clients
 - Liability to third parties

2. The Audit Framework

- External audit and internal audit
- Regulatory framework of auditing
 - Auditing Standards
 - Requirements of professional bodies
- The audit engagement process

3. Audit Personnel

- The audit team
- Liaison with client staff
- Liaison with third parties
 - Experts
 - Internal Audit

4. Audit Planning

- The nature of an audit plan and programme

- Understanding the entity and its environment
- Risk
- Materiality
- Documentation
- Audit Planning Meeting

5. Accounting Systems and Controls

- The nature of accounting systems
- General principles of control
- Techniques to record accounting systems
 - Narrative notes
 - Flowcharts
- Techniques to evaluate accounting systems
 - Internal control questionnaires
 - Internal control evaluation questionnaire
 - Checklists
- Major control cycles (manual & computerised)
 - Income (Sales)
 - Expenditure (purchases/inventories/non-current assets/payroll/expenses)
- Tests of Control
- Reporting Control deficiencies

6. Audit Evidence and Sampling

- Financial statement assertions
- Audit evidence and procedures
- Verification techniques – physical examination, re-performance, third party confirmation, documentary evidence, vouching and analytical review.
- Audit Sampling
- Types of testing- tests of control and substantive testing
- Computer assisted audit techniques
- Audit of statement of financial position items – existence, completeness, occurrence, valuation and allocation, classification, rights & obligations

7. Audit Completion

- Audit Review
 - Events after the end of the reporting period
 - Going concern
 - Opening balances and comparatives
- Analytical Procedures

- Recording significant and material errors
- Review by senior and audit staff
- Report of audit points arising (report to partner)
- Letter of Representation

8. Audit Report

- The Standard Audit Report
- Modified Audit Opinions