



**INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS OF
UGANDA**

CERTIFIED PUBLIC ACCOUNTANTS OF UGANDA

EXAMINATION SYLLABUS 2023

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CPA(U) EXAMINATIONS SYLLABUS STRUCTURE

LEVEL IV: Test of Professional Expertise	Integration of Knowledge Paper 18					
LEVEL III: Test of Professional Skills	Advanced Financial Reporting Paper 12	Public Financial Management Paper 13	Strategy, Governance & Leadership Paper 14	Advanced Financial Management Paper 15	Audit Practice & Assurance Paper 16	Advanced Taxation Paper 17
LEVEL II: Test of Technical Skills	Financial Reporting Paper 7	Financial Management Paper 8	Auditing, Ethics & Assurance Paper 9	Management Decision & Control Paper 10	Taxation Paper 11	
LEVEL I: Test of Competence	Financial Accounting Paper 1	Economics & Entrepreneurship Paper 2	Quantitative Techniques Paper 3	Management & Information Systems Paper 4	Business & Company Law Paper 5	Cost & Management Accounting Paper 6

Level	Competence	Description
1	Test of Competence (TC)	Assesses ability to align accounting and business knowledge and skills to real-world situations.
2	Test of Technical Skills (TTS)	Assesses ability to apply, comprehend and analyse technical knowledge and ethics in real-world situations.
3	Test of Professional Skills (TPS)	Assesses ability to apply, synthesise and evaluate technical knowledge, professional skills and values, strategy and leadership in real-world situations.
4	Test of Professional Expertise (TPE)	Assesses provision of advisory services to clients in real-world situations.

1.0 BACKGROUND INFORMATION

1.1 Institute's Profile

The Institute of Certified Public Accountants of Uganda (ICPAU) was established in 1992 by an Act of Parliament, now The Accountants Act, 2013. ICPAU is governed by a Council, which is assisted by the Public Accountants Examinations Board (PAEB), and other committees of Council.

The functions of the Institute, as prescribed by the Accountants Act, 2013 are:

- (a) To regulate and maintain the standard of accountancy in Uganda;
- (b) To prescribe and regulate the conduct of accountants and practicing accountants in Uganda.

ICPAU is a member of the International Federation of Accountants (IFAC) and the Pan African Federation of Accountants (PAFA).

1.2 Vision

To be a world-class professional accountancy Institute

1.3 Mission

To develop, promote and regulate the accountancy profession in Uganda, in public interest.

1.4 Core Values

- (a) Professional excellence
- (b) Accountability
- (c) Integrity
- (d) Innovation

1.5 Public Accountants Examinations Board (PAEB)

As part of the function of regulating and maintaining the standard of accountancy, ICPAU conducts examinations in Uganda. This function is executed by the PAEB on behalf of Council.

PAEB is responsible for conducting the:

- (a) Certified Public Accountants of Uganda - CPA(U) examinations. .

- (b) Accounting Technicians Diploma - ATD examinations.
- (c) Certified Tax Advisor - CTA examinations

2.0 CERTIFIED PUBLIC ACCOUNTANTS OF UGANDA [CPA(U)] COURSE

2.1 Purpose of the course

It is designed to produce competent professional accountants, capable of making a positive contribution to the profession and the national economy in general. The graduates of the course have the potential to serve in many capacities, which include financial and management accountants, finance managers, auditors, tax and financial consultants, chief executive officers, chief operating officers etc.

2.2 Objectives of the course

- (a) To produce competent professional accountants capable of applying the knowledge, skills and values acquired in a practical situation.
- (b) To provide a foundation of knowledge, skills and values that will stimulate those who complete the course to continue learning and adapting to changes throughout their professional lives.

3.0 ENTRY REQUIREMENTS:

To register as a CPA(U) student, one must have any one of the following qualifications:

3.1 Degree

A degree from a recognised university. If the degree is obtained from outside Uganda, it must be accredited by the respective government and NCHE may have to validate it.

3.2 Certificate/ Diploma

- (a) An Accounting Technicians Certificate from a recognised professional accountancy body such as ICPAU, KASNEB, NBAA, etc.

- (b) A diploma pursued in a period of at least two years from a recognised university or institution of higher learning. If the qualification is obtained from outside Uganda, it must be accredited by the respective government and NCHE may have to validate it.
- (c) A professional course certificate offered by another examining body such as KASNEB, NBAA, CIPS, CIM, etc.

3.3 A-Level

Uganda Advanced Certificate of Education (UACE) with at least two principal passes or the equivalent plus a Uganda Certificate of Education (UCE) with at least 5 credits, including English Language and Mathematics or the equivalent.

4.0 REGISTRATION FOR STUDENTSHIP

- 4.1 Registration of students is continuous throughout the year.
- 4.2 Applications must be made online on the ICPAU portal: www.icpau.co.ug.

Please follow the link: https://icpauportal.com/index.php/online/online_application/index/student for registration and any other necessary information

Note:

1. *ICPAU reserves the right not to register and/or de-register any student who, in their opinion, is not a fit and proper person for the accountancy profession in Uganda.*
2. *It is advisable for any applicant who wishes to sit examinations for any diet to register for studentship at least 2 months to the immediate examinations diet.*

5.0 MODE OF EXAMINATIONS

The Public Accountants Examinations Board reserves the right to conduct written, practical and computer based examinations.

6.0 EXAMINATIONS RULES

The Accountants (Examinations) Rules, 2022 are available on <https://www.icpau.co.ug/resources/icpau-accountants-examinations-rules-2022-final>

7.0 LEARNING OUTCOMES

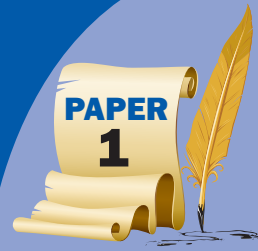
The learning outcomes are organised into six hierarchical levels. They move from the lowest level (knowledge) through to the highest level (evaluation). The levels are identified within the syllabus for each learning outcome within a subject and the meaning of each level is described below:

Knowledge (K)	Recalling of facts and ideas previously learnt.
Comprehension (C)	Demonstrating an understanding of facts and ideas by organising, comparing, translating, interpreting, giving descriptions and stating main ideas.
Application (A)	This refers to usage of knowledge and skills to solve problems. The acquired knowledge, facts, techniques and rules applied in various ways to create new situations.
Analysis (An)	Examine and break information into parts by identifying motives or causes. Make inferences and find evidence to support generalisations.
Synthesis (S)	Compile information together in a different way by combining elements in a new pattern or proposing alternative solutions.
Evaluation (E)	Ability to judge the value of material, at hand, for a given purpose.

LEVEL I

FINANCIAL ACCOUNTING

SYLLABUS CHART



Advanced Financial Reporting – Paper 13

Public Financial Management – Paper 14

Financial Reporting – Paper 7

Financial Accounting – Paper 1



OVERALL AIM

To enable the learners apply knowledge and skills in bookkeeping and preparation of financial statements

LEARNING OUTCOMES

On completion of this course, the learner should be able to:

	Learning outcome	K	C	A	An	S	E
1..	Explain the role of accounting and accountants		✓				
2.	Describe the financial reporting framework	✓					
3.	Explain the different forms of business entities		✓				
4.	Record transactions in the books of prime entry and ledgers using double entry bookkeeping			✓			
5.	Prepare a trial balance from accounting records			✓			
6.	Correct errors in accounting records			✓			
7.	Prepare financial statements for business entities and non-profit making organisations			✓			
8.	Reconcile financial transactions			✓			
9.	Prepare accounts and financial statements from incomplete records			✓			
10.	Discuss the general features of financial statements		✓				
11.	Apply selected international financial reporting standards			✓			
12.	Describe the ethical responsibilities and challenges of accountants in business	✓					

LEVEL OF ASSESSMENT

The examination will test knowledge, skills and comprehension of the principles of accounting relating to double entry bookkeeping and preparation of financial statements.

EXAMINATION STRUCTURE

There will be a three-hour examination made up sections A and B. Section A will comprise 20 compulsory multiple-choice questions of 20 marks. Section B will comprise five questions of 20 marks each, of which the candidate will be required to attempt any four.

DETAILED SYLLABUS

A. INTRODUCTION

1. Introduction to accounting:
 - (a) Meaning of:
 - (i) Bookkeeping
 - (ii) Financial accounting
 - (iii) Cost accounting
 - (iv) Management accounting
 - (b) Distinction between:
 - (i) Bookkeeping and financial accounting
 - (ii) Cost accounting and management accounting
 - (iii) Financial accounting, cost accounting and management accounting
2. The accountant:
 - (a) Meaning of:
 - (i) An accountant as per the Accountants Act, 2013
 - (ii) Professional accountant as per the International Federation of Accountants (IFAC)
 - (b) Accountants as drivers of sustainable organisational success
 - (c) Role of an accountant in sustainable organisational success and provision of assurance services
 - (d) Accountants and ethics:
 - (i) Fundamental ethical principles for professional accountants
 - (ii) Ethical responsibilities
 - (iii) Ethical dilemmas

B. INTRODUCTION TO THE FINANCIAL REPORTING FRAMEWORK

1. Preface to International Financial Reporting Standards (IFRSs)
 - (a) Purpose of the preface to IFRSs
 - (b) Objectives of the International Accounting Standards Board
 - (c) The scope and authority of IFRSs
 - (d) Process of setting accounting standards and the timing of the application of IFRSs
2. The Conceptual Framework for Financial Reporting
 - (a) Purpose and status of the conceptual framework
 - (b) Types, objectives, benefits and limitations of general purpose financial statements
 - (c) Information needs of users of financial statements
 - (d) Economic decisions made by users of financial statements
 - (e) Types of and application of the qualitative characteristics of useful financial information
 - (f) Cost constraint of useful financial reporting
 - (g) Elements of financial statements
 - (h) Underlying accounting assumption
3. General features of financial statements under IAS 1: Presentation of Financial Statements:
 - (a) Fair presentation and compliance with IFRSs
 - (b) Going concern
 - (c) Accruals basis of accounting
 - (d) Materiality and aggregation
 - (e) Offsetting
 - (f) Frequency of reporting
 - (g) Comparative information
 - (h) Consistency of presentation

C. FORMS OF BUSINESS ENTITIES

1. Sole proprietorships:
 - (a) Meaning
 - (b) Characteristics
 - (c) Advantages and disadvantages

2. Partnerships:
 - (a) Meaning
 - (b) Types and characteristics
 - (c) Advantages and disadvantages
3. Limited liability companies:
 - (a) Meaning
 - (b) Characteristics and forms
 - (c) Benefits and limitations
 - (d) Public versus private limited liability companies

4. Choice of business entity

D. PRINCIPLES OF DOUBLE ENTRY SYSTEM OF ACCOUNTING

1. Accounting equation and double entry system:
 - (a) The accounting equation and the statement of financial position:
 - (i) The accounting equation
 - (ii) Effects of business transactions on the accounting equation
 - (iii) The effect of profit or loss on capital
 - (b) Double entry bookkeeping:
 - (i) Meaning of transaction, debit and credit
 - (ii) Double entry bookkeeping, the convention of duality and the accounting equation
 - (iii) The double entry system for assets, liabilities, capital, expenses and income
 - (iv) Capital and revenue expenditure
2. Preparation of books of account:
 - (a) Accounting process/ cycle
 - (b) Source documents:
 - (i) Purpose
 - (ii) Types: Sales order, purchases order, invoice, credit note, delivery note, pay slip, goods received note, receipt
 - (iii) Information shown on the face of each type of source document
 - (c) Books of prime entry
 - (i) Journals:
 1. General journal and subsidiary journals (sales daybook, purchases daybook, returns daybooks)
 2. Uses of the different types of journals

3. Preparation of the different types of journals and posting of transactions to the ledgers
- (i) Cashbook:
 1. Meaning
 2. Purpose of two and three column cashbooks
 3. Meaning and purposes of trade and settlement (cash) discounts; recording cash discounts in ledger accounts
 4. Preparation of two and three column cashbooks, the concept of contra entries and balancing off the cashbook
 5. Petty cashbook and imprest system: Meaning, preparation and posting to the ledger accounts
 - (d) Ledgers:
 - (i) Purpose
 - (ii) Types of ledgers and ledger accounts
 - (iii) Format of a ledger and steps in ledger posting
 - (iv) Recording transactions from journals to ledger accounts
 - (v) Balancing and closing ledger accounts
 - (vi) Meaning of the balance of each type of account
 - (e) Trial balance:
 - (i) Meaning
 - (ii) Purpose
 - (iii) Preparation of a trial balance
 - (f) Preparation of bank reconciliation statement:
 - (i) Nature and purpose of a bank reconciliation statement
 - (ii) Bank statement balance versus cashbook balance
 - (iii) Cheque system:
 1. Meaning
 2. Cheque crossing, cheque endorsement, cheque clearing and pay-in slips
 - (iv) Electronic forms of bank payments: Real Time Gross Settlement (RTGS), Electronic Funds Transfer (EFT), Telegraphic Transfer(TT), mobile banking
 - (v) Types of bank accounts
 - (vi) Preparation of an adjusted cashbook and bank reconciliation statement

(vii) Effect of bank overdraft on the reconciliation process

E. ADJUSTMENTS TO FINANCIAL STATEMENTS

1. Accruals and prepayments:

- (a) Meaning
- (b) The accruals concept and adjustments for accruals and prepayments (incomes and expenses)
- (c) Journal and ledger entries for adjustments for accruals and prepayments
- (d) Treatment of accruals and prepayments in the financial statements

2. Property, Plant and Equipment (IAS 16):

- (a) Application of IAS 16:
 - (i) Meaning of: Property, plant and equipment; depreciation, depreciable amount; cost; carrying amount; entity-specific value; fair value; recoverable amount; residual value; useful life
 - (ii) Recognition criteria for initial and subsequent costs
 - (iii) Measurement of cost at initial recognition
 - (iv) Measurement of cost after initial recognition: Cost model vs. revaluation model
 - (v) De-recognition on disposal or when no economic benefits are expected from use or disposal; treatment of gains or losses on de-recognition
- (b) Depreciation:
 - (i) Purpose
 - (ii) Causes
 - (iii) Methods of computing depreciation: Straight line; reducing balance; revaluation
 - (iv) Consistency and subjectivity in accounting for depreciation
- (c) Preparation of accounts and journal entries for:
 - (i) Non-current assets
 - (ii) Depreciation
 - (iii) Disposal
- (d) Treatment of:
 - (i) Depreciation in the financial statements
 - (ii) Revaluation of non-current assets
 - (iii) Trade-in value and insurance claims of non-current assets

3. Bad debts and provisions for doubtful debts
 - (a) Bad debts versus doubtful debts
 - (b) Reasons for providing for bad debts
 - (c) Computation of specific and general provisions for bad debts
 - (d) Treatment in ledger accounts and financial statements of:
 - (i) Provisions for bad debts(increase and decrease in bad debts)
 - (ii) Bad debts recovered
4. Preparation of extended (adjusted) trial balance

F. IAS 2: INVENTORIES

1. Inventories:
 - (a) Definition of key terms
 - (b) Scope of the Standard
 - (c) Accounting treatment for inventory and carriage costs:
 - (i) Measurement of inventories: Cost of inventories (purchase, conversion and other costs); cost of inventories of a service provider
 - (ii) Cost formulas: Types and computation of inventory values; net realisable value
 - (iii) Application of the prudence convention to valuation of inventories
 - (iv) Merits and demerits of continuous and period end records
 - (d) Methods of inventory valuation and their impact on profits and assets
 - (e) Factors that affect the choice of method adopted
 - (f) Disclosures in respect of inventories in the financial statements

G. PREPARATION OF FINANCIAL STATEMENTS FOR SOLE TRADERS, PARTNERSHIPS AND LIMITED COMPANIES (FOR INTERNAL USE)

1. Trading and service entities
 - (a) Sole trader/ practitioner:
 - (i) A statement of profit or loss and other comprehensive income
 - (ii) A statement of financial position
 - (b) Partnership:
 - (i) Types of partners and their obligations to the partnership
 - (ii) Purpose of a partnership deed and its contents

- (iii) Accounting rules from the Partnership Act and the partnership agreement/deed
 - (iv) Partnership accounts: Types and format
 - (v) Preparation of partnership capital accounts (fixed and fluctuating) and current accounts
 - (vi) Appropriation of profits/ losses: Conventional methods of dividing profits/losses and maintaining equity between partners
 - (vii) Treatment of partners' share of profits, losses, interest on capital, drawings and interest on drawings in the ledger accounts; preparation of the appropriation account for the partnership
 - (viii) Preparation of a statement of profit or loss and other comprehensive income and statement of financial position
 - (ix) Changes in partnership and accounting for goodwill on: Admission of new partner(s), retirement of partner(s), dissolution of partnership; accounting treatment and effect on the partnership's financial statements
 - (x) Recording dissolution entries of a partnership in ledger accounts (including the rule in Garner Vs Murray)
 - (xi) Preparation of statement of financial position for a partnership after revaluation of assets
- (c) Limited liability Company:
- (i) Composition of share capital and non-current liabilities of a limited liability company
 - (ii) Authorised and issued (fully paid) capital; nominal and market value of shares; bonus issue and rights issue of shares
 - (iii) Advantages and disadvantages of increasing share capital by bonus issues and rights issues of shares
 - (iv) Appropriation of company profits and losses
 - (v) Nature and purpose of dividends
 - (vi) Accounting for: Dividends, loan interest, reserves, retained earnings, issue of shares, share premium, corporation tax
 - (vii) Capital versus revenue reserves and their uses
 - (viii) Preparation of financial statements of limited liability companies: statement of profit or loss and other comprehensive income and statement of financial position

2. Manufacturing concerns:
 - (a) Manufacturing account:
 - (i) Identification of manufacturing costs (direct and indirect)
 - (ii) Classification of costs: Direct production costs and factory overheads; fixed and variable costs; prime costs and total factory costs
 - (iii) Categories of inventory
 - (iv) Purpose of a manufacturing account/ cost statement
 - (v) Preparation of a manufacturing account/ cost statement
 - (vi) Accounting for factory costs with and without manufacturing profit
 - (b) Statement of profit or loss and other comprehensive income (SPLC) and statement of financial position
 - (i) Link between manufacturing account and SPLC
 - (ii) Classification and apportionment of expenses
 - (iii) Manufacturing profit versus trading profit; inventory of manufacturing concerns versus that of trading entities
 - (iv) Preparation of SPLC and statement of financial position

H. CORRECTION OF ERRORS AND THE SUSPENSE ACCOUNT

1. Definition of errors
2. Types of errors:
 - (a) Revealed by a trial balance
 - (b) Not revealed by the trial balance
3. Suspense account; uses and preparation
4. Correction of errors
5. Preparation of a corrected:
 - (a) Trial balance
 - (b) Statement of corrected net profit or loss
 - (c) Statement of corrected financial position

I. PREPARATION OF FINANCIAL STATEMENTS FROM INCOMPLETE RECORDS

1. Incomplete records:
 - (a) Meaning
 - (b) Reasons for existence of incomplete records and their disadvantages

- (c) Purpose and preparation of a statement of affairs
- (d) Deriving missing figures
- 2. Control accounts:
 - (a) Meaning and purpose
 - (b) Contra entries in control accounts and the source of information for control accounts
 - (c) Preparation of:
 - (i) Sales ledger control account
 - (ii) Purchases ledger control account
- 3. Deriving of figures for profit where only the increase in capital and details of drawings are known
- 4. Definition, computation and application of mark-up and margin
- 5. Preparation of financial statements

J. PREPARATION OF FINANCIAL STATEMENTS FOR NON-PROFIT MAKING ORGANISATIONS

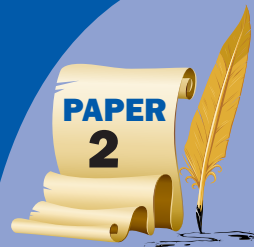
- 1. Meaning of non-profit making organisation
- 2. Objectives and purpose of non-profit making organisations.
- 3. Non-profit making organisations versus profit making organisations
- 4. Subscriptions:
 - (a) Types
 - (b) Preparation of subscriptions account
- 5. Receipts and payments account:
 - (a) Meaning and purpose
 - (b) Preparation
 - (c) Shortcomings of receipts and payments reports
- 6. Statement of financial performance:
 - (a) Nature and purpose of statement of financial performance of a non-profit organisation
 - (b) Sources of income.
 - (c) Receipts and payments account versus statement of financial performance
- 7. Determination and incorporation of profits or losses from other activities in the financial statements
- 8. Treatment for donations, grants, life membership fees and entrance fees
- 9. Accumulated fund:

- (a) Meaning
 - (b) Determination
 - (c) Effect of surplus or deficit on accumulated fund
10. Preparation of:
- (a) Statement of income and expenditure/ financial performance
 - (b) Statement of financial position
11. Financial statements of a trading organisation versus those of a non-trading organisation

REFERENCES

- 1 ICPAU, 2022. Financial Accounting, Kampala.
- 2 Government of Uganda, 2012. As Amended, The Companies Act, Uganda Printing & Publishing Company.
- 3 International Accounting Standards Board (current issue), International Financial Reporting Standards, IFRS Foundation.
- 4 Sangster, A., 2019. Frank Wood's Business Accounting, 15th ed, Harlow: Pearson Education Limited.
- 5 Sangster A & Gordon, L., 2022. Frank Wood's Business Accounting, 15th ed, Harlow: Pearson Education Limited.
- 6 Wood, F & Robinson S., 2018. Book-keeping and Accounts, Pearson, 9th ed, Pearson Education Limited.

ECONOMICS AND ENTREPRENEURSHIP



OVERALL AIM

To equip the learner with knowledge and skills to comprehend, apply and evaluate the principles of economic theory and entrepreneurship

LEARNING OUTCOMES

On completion of this course, the learner should be able to:

	Learning outcomes	K	C	A	An	S	E
1.	Explain economic concepts and terms, their uses and application	✓					
2.	Describe major economic models and theories		✓				
3.	Explain the behaviour of market forces	✓					
4.	Explain the features of international trade	✓					
5.	Describe Uganda's monetary and fiscal systems		✓				
6.	Discuss ethical issues in business		✓				
7.	Discuss the principles of development and policy implementation		✓				
8.	Explain the entrepreneurial process	✓					
9.	Evaluate identified business opportunities						✓
10.	Develop selected opportunities into viable businesses			✓			
11.	Explain the challenges facing entrepreneurs	✓					
12.	Discuss possible solutions to entrepreneurial problems		✓				

LEVEL OF ASSESSMENT

The examinations will test the learner's knowledge, comprehension, application and evaluation of concepts and theories of economics and entrepreneurship

EXAMINATION STRUCTURE

There will be a three-hour examination made up of sections A, B and C. Section A will comprise 20 compulsory multiple-choice questions of 20 marks, of which 10 will come from Economics and 10 from Entrepreneurship. Section B (Economics) will comprise three questions of 20 marks each, of which the candidate will be required to attempt any two. Section C (Entrepreneurship) will comprise three questions of 20 marks each, of which the candidate will be required to attempt any two

DETAILED SYLLABUS

ECONOMICS

A. INTRODUCTION

1. Nature and scope of economics
2. Characteristics of wealth, human wants and needs, resources and goods and services
3. Scarcity, choice and opportunity cost
4. Alternative economic systems
5. Classification of goods
6. Ethical issues that arise from the nature of markets in which business operate, responsibility of business to society as well as internal and industry practices of business

B. PRICE THEORY

1. Concept of demand:
 - (a) Demand, quantity demanded, effective demand and factors that influence quantity demanded
 - (b) Demand schedule, demand curve, down slope of the demand curve and exceptions to the demand curve
 - (c) Joint/ complementary, competitive, composite, fixed, derived and independent demand
 - (d) Change in demand versus change in quantity demanded
 - (e) Utility theory
 - (f) Elasticity of demand
2. Concept of supply:
 - (a) Supply, quantity supplied and quantity produced/ stock of goods

- (b) Joint and competitive supply
 - (c) Determinants of supply and quantity supplied
 - (d) Supply schedule, supply curve
 - (e) Law of supply; upward slope of the supply curve (left to right); exceptions to the supply curve; change in supply and change in quantity supplied
 - (f) Elasticity of supply
3. Price:
 - (a) Market price, equilibrium price, normal/ long-run price, ideal price, reserve price
 - (b) Price determination
 - (c) Price of factors of production
 4. Price mechanism and resource allocation

C. PRODUCTION THEORY

1. Production: Importance and stages; direct versus indirect production; subsistence versus commercial production; factors of production (including mobility of factors of production)
2. Specialisation
3. Theory of the firm
4. Law of diminishing returns
5. Concept of output
6. Costs of production
7. Economies and diseconomies of scale
8. Existence of small firms
9. Concept of revenue
10. Market structures

D. NATIONAL INCOME

1. Gross domestic product, gross national product, net national product, national income at factor cost and market price, real and monetary national income, personal income, disposable income and per capita income
2. Circular flow of income
3. Factors that determine the level of national income

4. National income of a developed versus that of a developing economy
5. Ways of increasing the level of national income
6. Estimation of national income
7. Per capita income
8. Income inequality and distribution
9. Equilibrium and disequilibrium in an economy
10. Multipliers and accelerators

E. MONETARY AND FINANCIAL SYSTEMS

1. Money
2. Interest rate(s)
3. Capital markets
4. Cost of living
5. Commercial and central banking
6. Bank regulation and supervision framework, including provisions of the Financial Institutions Act, 2004; Bank of Uganda Act, 2000; Micro-finance Deposit-taking Institutions Act, 2003

F. INFLATION

1. Types and effects of inflation
2. Policies used to control inflation in Uganda
3. Concept of deflation

G. POPULATION AND LABOUR ECONOMICS

1. Theories of population; changes and effects of population on the economy; population control; under population, over population and optimal population
2. Structure of labour force:
 - (a) Labour and labour force; determinants of labour force in an economy and characteristics of labour force of developing countries
 - (b) Efficiency and productivity of labour
 - (c) Demand for and supply of labour
 - (d) Wages and salaries; wage differentials; nominal and real wages; methods of paying workers; theories of wage payment
3. Trade unions

H. UNEMPLOYMENT

1. Types of unemployment, including their causes, effects and solutions
2. Assumptions and applicability of Keynesian theory of unemployment

I. INTERNATIONAL TRADE

1. Role, advantages and disadvantages of international trade
2. Bilateral and multilateral trade
3. Comparative and absolute advantages
4. Terms of trade, balance of trade and balance of payments
5. Free trade and protectionism
6. Devaluation and revaluation
7. Foreign exchange and foreign exchange rate(s)
8. Economic integration, including the aims and achievements/ failures of the East African Community (EAC) and Common Market for Eastern and Southern African (COMESA)
9. Institutions and agreements in international trade including:
 - (a) General Agreement on Tariffs and Trade
 - (b) International Bank for Reconstruction and Development
 - (c) International Monetary Fund
 - (d) World Trade Organisation
 - (e) United Nations Conference on Trade and Development
10. Foreign aid

J. ECONOMIC GROWTH AND DEVELOPMENT

1. Economic growth and economic development; objectives, costs and benefits of economic growth; barriers to economic growth and indicators of economic development; why economic growth may not necessarily lead to economic development
2. Theories of economic growth and economic development
3. Characteristics/ indicators of underdeveloped economies
4. Factors responsible for underdevelopment
5. Development strategies

K. ECONOMIC DEVELOPMENT PLANNING

1. Importance of planning
2. Partial, comprehensive, micro/ macro, centralised/ decentralised,

authoritarian, project, democratic, indicative, directive and perspective plans/ planning

3. Development plans, including contents and characteristics of a good plan; the planning process; conditions necessary for effective planning; problems encountered in the formulation/ implementation of development plans

L. PUBLIC FINANCE AND FISCAL POLICY

1. Public finance, public revenue, public expenditure, public debt, financial administration, fiscal policy, taxable income
2. Taxation:
 - (a) Reasons for levying taxes and effects of taxation
 - (b) Direct and indirect taxes; progressive, regressive and proportional taxes
 - (c) Impact of tax and tax base; reasons for a narrow tax base in Uganda
 - (d) Marginal rate and average rate of taxation
 - (e) Uganda's tax structure and its impact on the economy
 - (f) Incidence of tax
 - (g) Canons of a good tax system
 - (h) Taxable capacity
3. Public debt, including:
 - (a) National debt and the need for public debt
 - (b) Internal, external, short-term, long-term, medium-term, funded, deadweight, reproductive and floating debts
 - (c) Public debt burden and public debt management
4. National budget:
 - (a) Components of a national budget
 - (b) Balanced, surplus and deficit budgets
 - (c) Importance of a national budget
5. Public finance, including the role of public finance; need for and characteristics of public expenditure and effects of government expenditure on the economy
6. Debt and taxation financing

M. STRUCTURE OF UGANDA'S ECONOMY

1. Features of Uganda's economy: Dualistic, largely agro-based, mixed, dependent, high population growth rate, subsistence, open, unskilled labour force
2. Agricultural and industrial sectors
3. Subsistence and monetary sectors
4. Imports and exports
5. Private versus public ownership of business in Uganda; privatisation of public enterprises
6. Economic dependence
7. Structural adjustment programmes (SAPs)
8. Trade in services

N. ENTREPRENEURSHIP

1. Nature and scope of entrepreneurship:
 - (a) Entrepreneur and entrepreneurship
 - (b) Evolution of entrepreneurship and emergence of entrepreneurs
 - (c) Types of entrepreneurs
 - (d) Characteristics of successful entrepreneurs
 - (e) Challenges of entrepreneurs and solutions
 - (f) Role of entrepreneurship in economic development
2. Business environment:
 - (a) Features
 - (b) Internal/ external business environments
 - (c) Small and medium-size enterprises (SMEs):
 - (i) Meaning of SME
 - (ii) The environment of SMEs
 - (iii) Managing an SME, including human and financial resources, marketing and purchasing
 - (iv) Risk and failure analysis of SME business
 - (v) Advantages and disadvantages of SMEs
 - (vi) Contribution of SMEs to economic development
 - (d) Winding up a business venture, including reasons and ways of winding up

3. Entrepreneurial orientation:
 - (a) Dimensions of orientation
 - (b) Risk taking, including types of risks, risk identification, risk assessment and reward for risk taking
4. Entrepreneurial decision process
5. Enterprise development and protection:
 - (a) Enterprise development:
 - (i) Managing growth in a changing environment
 - (ii) Challenges of growth and expansion
 - (iii) Natural growth of business
 - (iv) Artificial growth through business combinations (mergers and acquisitions/ absorptions/ takeovers), buyouts, franchising, formation of holding company and joint ventures
 - (b) Enterprise protection through prevention of theft and shoplifting; use of patents, trademarks, copyrights, trade secrets and licensing; enforcement of regulations on safety and insurance contracts
 - (c) Reasons for business failure
 - (d) Social and ethical responsibilities of a business
6. Entrepreneurial awareness and motivation, including motivation theories, how to motivate, factors that hinder motivation and impact of motivation
7. Creativity and innovation:
 - (a) Creativity, including process, principles, benefits and limitations
 - (b) Innovation, including sources, principles and benefits; fostering innovations in a business venture
 - (c) Intrapreneurship
8. Creating own business/ self-employment, including:
 - (a) factors to consider, generation of ideas/ spotting and assessing opportunities
 - (b) Selection of type of business organisation/ venture and problems in selecting new ventures
 - (c) Venture life cycle
 - (d) Financing new ventures, including sources of capital, credit analysis and risk assessment; financial planning, analysis and management of finances and accounting and record keeping

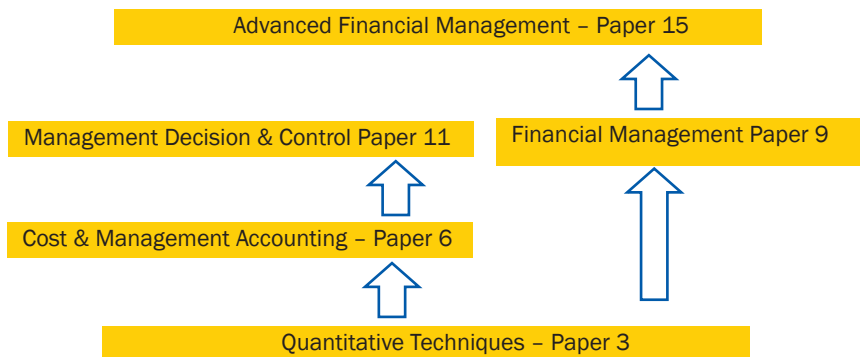
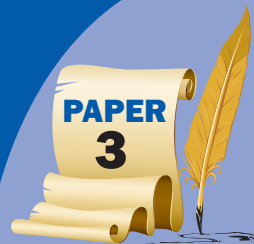
- (e) Strategies for managing growth and transition in a venture
 - (f) Benefits and challenges of self-employment
 - (g) Developing an effective business plan, including preparation of the plan
 - (h) Stakeholder management
 - (i) Market research and marketing strategies
 - (j) Operations and management of the business
 - (k) New business opportunities
9. Financing a business through equity, debt/ borrowing, including the advantages and disadvantages of each source of financing
10. Emerging trends in entrepreneurship, including total quality management, e-commerce, globalisation, out-sourcing, networking, social entrepreneurship (not-for-profit) as well as ethics and integrity in business

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2. Brue McConnell and Flynn, 2014. Essentials of Economics, 3rd ed, New York: McGraw-Hill Education.
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4. David S and Wilson N., 2017. Small Business Management and Entrepreneurship, 7th ed, Andover: Annabel Ainscow.
5. Saleemi, N.A., 2018. Economics Simplified, Nairobi: English Press.

QUANTITATIVE TECHNIQUES

SYLLABUS CHART



OVERALL AIM

To equip the learner with skills to apply mathematical and statistical principles and concepts in problem solving and decision making

LEARNING OUTCOMES

On completion of this course, the learner should be able to:

	Learning outcomes	K	C	A	An	S	E
1.	Describe data collection methods and sampling techniques		✓				
2.	Present data in tables, charts and graphs			✓			
3.	Apply descriptive statistics in decision making			✓			
4.	Apply the principle of optimisation to strategy and deployment of resources			✓			
5.	Apply mathematical, linear, quadratic and simultaneous equations in production, cost and revenue functions			✓			
6.	Apply time series in estimating and forecasting			✓			
7.	Demonstrate an understanding of probability, confidence intervals and hypothesis testing		✓				
8.	Demonstrate an understanding of linear programming		✓				
9.	Apply selected mathematical models to business situations			✓			

LEVEL OF ASSESSMENT

The examination will test the learner's ability to comprehend and apply mathematical and statistical principles in problem solving and decision making

EXAMINATION STRUCTURE

There will be a three-hour examination made of six questions of 20 marks each, of which the candidate will be required to attempt any five

DETAILED SYLLABUS

A. INTRODUCTION

1. Importance of quantitative techniques
2. Role of statistics and mathematical models
3. Functions and limitations of statistics
4. Descriptive and inference statistics

B. DATA COLLECTION AND PRESENTATION

1. Introduction:
 - (a) Primary and secondary data; sample and population; discrete and continuous data; variable and attribute; qualitative and quantitative data
 - (b) Data collection methods, including interviews, questionnaires, direct observation, census and sample surveys; merits and demerits of each method of data collection
 - (c) Sampling techniques, including simple random and stratified, systematic and multistage as well as cluster and quota sampling; advantages and disadvantages of each technique
 - (d) Data presentation using the following methods, including their interpretation and limitations:
 - (i) Row and column tables, two-way tables, frequency tables and percentage distribution tables
 - (ii) Simple and compound bar charts, pie charts, Lorenz and Z-charts
 - (iii) Line graphs, histograms, frequency polygons and curves including the Ogive

C. DESCRIPTIVE STATISTICS

1. Measures of central tendency, including interpretation of calculated values:
 - (a) Arithmetic mean, weighted mean and quadratic mean for discrete and continuous variables in grouped (frequency) and ungrouped distributions
 - (b) Median and mode, including calculation and graphical presentation thereof
 - (c) Combined mean and combined standard deviation from two distributions
2. Measures of dispersion, including their characteristics, merits, demerits and interpretation of calculated values:
 - (a) Dispersion and variation
 - (b) Measures of dispersion:
 - (i) Range
 - (ii) Quartile deviation (interquartile range), decile and percentile range, including their graphical determination
 - (iii) Semi-quartile deviation (semi-interquartile range)
 - (iv) Decile and percentile range, including their graphical determination
 - (v) Mean deviation
 - (vi) Quartile coefficient of dispersion, standard deviation and variance, including their determination using direct and working mean methods; properties of standard deviation and coefficient of variation
 - (c) Dispersion versus skewness; determination of skewness by Karl Pearson and Bowley's methods
3. Index numbers, including interpretation of calculated values of indices:
 - (a) Importance and limitations of indices
 - (b) Simple and weighted (price and quantity) indices
 - (c) Price and quantity relatives
 - (d) Factors to consider in construction of indices
 - (e) Laspeyre's and Paasche's price and quantity indices
 - (f) Time series relatives, including fixed base and chain relatives

- (g) Published indices, including cost of living index, consumer index, stock index and retail index
4. Correlation and regression:
- (a) Meaning and importance
 - (b) Types of correlation
 - (c) Scatter diagrams
 - (d) Calculation of coefficient of correlation using product moment (Karl Pearson's), rank correlation (Spearman's formula) and Kendall's methods; interpretation of correlation co-efficient; merits and demerits of each method
 - (e) y on x and x on y regression equations, including interpretation of calculated values

D. PROBABILITY AND INFERENCE STATISTICS

1. Probability theory:
- (a) Basic concepts of probability such as event, outcome, sample, sample space and equiprobable
 - (b) Probability limits, total probability and complimentary probability
 - (c) Independent, dependent, and mutually exclusive events
 - (d) Rules of probability
 - (e) Conditional probability
 - (f) Probability frequency distributions and expected values

Note: Application of the knowledge of set theory in probability is assumed

2. Permutations and combinations:
- (a) The factorial notation
 - (b) Forms of arrangements, selections and combinations
 - (c) Application of permutations and combinations in probability
3. Probability distribution:
- (a) Properties of discrete probability distributions
 - (b) Normal distribution, including computation of probabilities using normal distribution tables

- (c) Binomial distribution, including the use of the binomial formula; computation of the mean, variance and standard deviation of a binomial distribution; use of binomial distribution tables; normal approximation to the binomial
- (d) Poisson distribution
- 4. Estimation and hypothesis testing:
 - (a) Confidence limits and intervals
 - (b) Determination of sample size
 - (c) Interval estimation of the population proportion using normal distribution
 - (d) Estimation of the mean from a small sample using Student's t distribution
 - (e) Use of contingency tables for chi-square distributions
 - (f) Estimation of the population proportion from a large sample
- 5. Hypothesis and significance tests:
 - (a) Null (H_0) and the alternative (H_a) hypotheses, type I and type II errors, acceptance and rejection regions and level of significance
 - (b) Methods of testing, including the normal or Z score, Student's t-distribution and Chi-square
 - (c) Statistic and level of significance at a particular percentage
 - (d) Hypothesis testing of the:
 - (i) Mean and difference of means using small samples and proportions
 - (ii) Population mean, difference of means and population proportion
 - (e) Test of goodness-of-fit and independence; computation of expected values for Chi-square test

E. MATHEMATICAL MODELING

- 1. Linear algebra:
 - (a) Linear, quadratic and simultaneous equations
 - (b) Formulating and solving equations using elimination, substitution and matrix methods
 - (c) Cost and marginal cost, revenue and marginal revenue and profit

- (d) Analysis of production, cost, expenditure, sales and profits as functions of time and price
- (e) Algebraic and graphical approaches to cost and breakeven analysis
- 2. Control charts:
 - (a) Advantages and disadvantages of control charts
 - (b) Control charts for sample mean, range and proportion
 - (c) Distinction between common cause and assignable cause
 - (d) Interpretation of control charts
- 3. Linear programming:
 - (a) Problem model, objective function, constraints, feasible region and optimal solution
 - (b) Assumptions
 - (c) Advantages and limitations
 - (d) Application to product mix, cost and profit
 - (e) Graphical and simplex methods, including their assumptions, advantages and limitations
 - (f) Primal and dual linear programming problems
- 4. Decision theory:
 - (a) State of nature, event, decision alternatives and payoff
 - (b) Types of decision making
 - (c) Decision making under uncertainty
 - (d) Payoff tables and decision trees
 - (e) Bayes decision rule
 - (f) Expected payoff of decision alternatives
 - (g) Expected loss and opportunity loss
 - (h) Maximin, maximax and minimax regret strategies
- 5. Queuing theory:
 - (a) Meaning and statement of the theory
 - (b) Queuing system, discipline and behaviour
 - (c) Classification and queuing model
- 6. Game theory and decision making:
 - (a) Game theory, strategy and payoff, optimum and strictly determined game

- (b) Two-person and zero-sum games
 - (c) Pure mixed, optimal, saddle point and dominance strategies
 - (d) Maximin and minimax principles
 - (e) Environments of decision making (
 - (f) The decision making environments, including certainty, uncertainty, risk and conflict
 - (g) Decision rules/ principles
7. Network analysis:
- (a) Network terminology, including network, dummy activity, critical path, float, cost slope, activity and event
 - (b) Network diagrams and Gantt charts
 - (c) Critical path and program evaluation and review technique (PERT) models
 - (d) Earliest and latest start times of programme activities
 - (e) Project crashing, resource analysis and scheduling

F. TIME SERIES AND FORECASTING

1. Time series:
- (a) Forecasting and time series; examples of time series and their importance
 - (b) Components of time series
 - (c) Seasonal adjustments and deflating time series
 - (d) Determination of trend:
 - (i) Methods, including moving average, exponential smoothing and least squares; merits and limitations of moving averages and least squares methods
 - (ii) Graphical representation of data and estimation of output using a trend line
2. Forecasting:
- (a) Steps involved
 - (b) Methods used, including quantitative and qualitative methods, regression analysis, deseasonalisation and exponential smoothing
 - (c) The Z chart

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1. ICPAU, 2022. Quantitative Techniques, Kampala
2. Andre F and Ben M, 2014. Business Mathematics and Statistics, 7th ed, London: South Western and Cengage Learning.
3. Doane, D., 2012. Applied Statistics in Business and Economics, 4th ed, New York: McGraw-Hill.
4. Vohra, N. D and Hiteshi A., 2021. Quantitative Techniques & Methods, 6th ed, Delhi India: McGraw Hill,

MANAGEMENT AND INFORMATION SYSTEMS

SYLLABUS CHART



Strategy, Governance and Leadership – Paper 14



Management & Information Systems - Paper 4

OVERALL AIM

To equip the learner with skills to lead business transformation initiatives through understanding and application of the principles and concepts of management and information systems

LEARNING OUTCOMES

On completion of this course, learners should be able to:

	Learning outcomes	K	C	A	An	S	E
1.	Describe the environment within which businesses operate		✓				
2.	Discuss the theories and functions of management		✓				
3.	Describe the role of marketing in business		✓				
4.	Describe the use of information technology in business		✓				
5.	Identify specification and selection of computer hardware and software solutions for business	✓					
6.	Discuss the adequacy of general information technology and application controls		✓				
7.	Discuss the systems development process and the associated challenges		✓				
8.	Discuss the regulatory and ethical issues in business management and information technology		✓				
9.	Discuss the role of information technology in data analysis and decision making		✓				
10.	Prepare numerical, text, graphical and database information using a computer			✓			

LEVEL OF ASSESSMENT

The examination will test the learner's knowledge, comprehension and application of skills in management and information systems to business

EXAMINATIONS STRUCTURE

There will be a three-hour theory examination made up of sections A and B. Section A will comprise four questions of 20 marks each, of which the candidate will be required to attempt any three. Section B will comprise three questions of 20 marks each, of which the candidate will be required to attempt any two. There will also be a one-hour thirty minutes hands-on examination of 50 marks

DETAILED SYLLABUS

MANAGEMENT

A. INTRODUCTION TO MANAGEMENT

1. Levels of management
2. Management as an art and as a science
3. Essential skills of managers
4. Roles and responsibilities of managers/ management
5. Resources required by managers

B. BUSINESS ENVIRONMENT

1. Political/Legal environment
 - (a) Enforcement of laws and regulations
 - (b) Self-regulation
 - (c) Creation of economic conditions for business to operate (including taxation and public spending)
2. Social environment
 - (a) The demographic environment
 - (b) Difference and changes in the composition and characteristics of society in terms of age, sex, marital status, family size, occupation, income, education, ethnic origin and geographical location
 - (c) The values, attitudes and beliefs of society
3. Technological environment
 - (a) Major developments - impact on organisations and external effects
 - (b) Society and technology
 - (c) PEST analysis

- (d) Opportunities and threats
- (e) Organisational response to threats and opportunities
- (f) Effects of technological change on organisational structure and strategy;
 - (i) Downsizing
 - (ii) Delaying
 - (iii) Outsourcing

C. OBJECTIVES OF BUSINESS

1. Mission and vision
2. Business aims and objectives
3. The different types of business organisations and their characteristics;
 - (a) Commercial
 - (b) Not-for-profit
 - (c) Public sector
 - (d) Non-governmental organisations
 - (e) Cooperatives
4. Primary objectives/ purpose basing on the different types of business organisations
 - (a) Wealth maximisation
 - (b) Growth; increase in size, scale of operations, increase in market share
 - (c) Profit maximisation and
 - (d) Survival
5. Secondary objectives:
 - (a) Market standing and share
 - (i) Innovation
 - (ii) Productivity
 - (iii) Value addition
 - (iv) Acquisition and application of physical resources and technology
 - (v) Return on capital employed (ROCE)
 - (vi) Employees and management
 - (vii) Financial resources and social responsibility
 - (b) Social objectives

- (c) Importance of business objectives
- 6. Conflict of objectives
 - (a) Stakeholder analysis; internal, connected and external stakeholders and their impact on businesses.
 - (b) Stakeholder coalitions; impact of the different stakeholders on business organisations.
 - (c) Stakeholder mapping; the power and influence different stakeholders have on business organisations, including how their needs should be accommodated.

D. THEORIES OF MANAGEMENT

- 1. Classical theories of management:
 - (a) Scientific management, including its proponents, application of scientific management approach and criticisms of scientific management
 - (b) Administrative principles, including the proponents, division of administrative activities and Henri Fayol's principles of management
 - (c) Bureaucratic organisation, including its proponents, characteristics of bureaucratic organisations as well as benefits and disadvantages of bureaucracy
- 2. The human relations and social psychological theories, including proponents and arguments for and against the behavioural approach
- 3. The quantitative approaches to management
- 4. Other theories of management:
 - (a) Empirical school
 - (b) The social systems approach
 - (c) The socio-technical systems approach
 - (d) The decision theory
 - (e) Contingency/ situational theory
 - (f) Comparative management approach
- 5. Application of management theories in a changing environment

E. FUNCTIONS OF MANAGEMENT

- 1. Planning
 - (a) Types and models
 - (b) Management by objectives

- (c) Strategic plans, operational plans, contingency plans and planning time horizons
- (d) Benefits of planning
- 2. Controlling
 - (a) Steps in the tradition control process
 - (b) Establishment of standards of performance
 - (c) Measurement of actual performance
 - (d) Comparison of performance to standards
 - (e) Feedback
 - (f) Bureaucratic control versus decentralised control
- 3. Co-ordination
 - (a) Definition, types-internal and external, vertical and horizontal)
 - (b) Organisational structure, including different formal organisational structures, the different departments with their roles, centralisation and decentralisation with advantages and disadvantages
 - (c) Organisational culture in business organisations;
 - (i) Definition
 - (ii) Factors that shape the culture of organisation
 - (iii) Contribution of different writers on organisational culture;
 - Schein; determinants of organisational culture
 - Handy; the four cultural stereotypes
 - Holfstede; international perspectives on culture
 - (d) The need for co-ordination
 - (e) The importance for co-ordination
- 4. Communication
 - (a) Meaning, methods and choice of methods of communication
 - (b) The communication processes
 - (c) The importance of communication
 - (d) Barriers to communication and overcoming them
- 5. Leadership and delegation
 - (a) Types of power
 - (b) Leadership traits
 - (c) Autocratic versus democratic leadership: The leadership continuum (Tannenbaum and Schmidt)

- (d) Behavioural approaches: The leadership grid (Blake and McCauley)
 - (e) Contingency approaches developing towards situational theory
 - (f) Management versus leadership
 - (g) Teams;
 - (i) Purpose
 - (ii) Formation, including tools or techniques of team building
 - (iii) Development
 - (iv) Management
 - (v) Advantages and disadvantages
 - (vi) Characteristics of effective and ineffective teams.
 - (h) Committees
 - (i) Purpose of committees
 - (ii) Types used by businesses
 - (iii) Advantages and Disadvantages
6. Decision-making
- (a) Types of decisions
 - (b) Programmed and non-programmed decisions
 - (c) Decision-making models:
 - (i) Classical model
 - (ii) Administrative model
 - (iii) Decision making steps
 - (iv) Recognition of decision requirement
 - (v) Diagnosis and analysis of causes
 - (vi) Development of alternatives
 - (vii) Selection of desired alternative
 - (viii) Implementation of chosen alternative
 - (ix) Evaluation and feedback
 - (x) Monitoring, evaluation and motivation
 - (d) Decision-making steps

F. FUNCTIONAL AREAS OF MANAGEMENT

1. Finance, including areas of expertise (Reporting, management, auditing and financial performance), branches of accounting (financial accounting, management accounting, auditing and specialist accounting/ consultancy)

2. Marketing, including the marketing mix
3. Purchasing and inbound logistics
4. Operations management, including operations management in the services industry, the manufacturing process, layout and the factors to consider
5. Human resources management:
 - (a) Meaning, scope and functions
 - (b) HRM versus personnel management
 - (c) Stages in the recruitment process, methods of recruitment, sources, roles of those involved in recruitment and selection process and importance of recruitment, appraisal.
 - (d) Role of line managers in human resources management process
 - (e) Training
 - (i) Definition and importance of training
 - (ii) Types of employee training
 - (iii) Induction, training, development and performance appraisal, discharge
 - (f) Motivation: Maslow's Hierarchy, Herzberg's Motivation (Hygiene Theory), Victor Vroom's Valence Theory (Expectancy Theory).
 - (i) Applicability or relevance of the above theories in today's business organisations
 - (ii) Reward system; types (intrinsic and extrinsic) and how rewards can be used to motivate individuals and teams.
 - (iii) Incentives

G. PROFESSIONAL ETHICS IN BUSINESS ORGANISATIONS

1. Definition
2. Organisational values that promote ethical behaviour including openness, trust, honesty, respect, empowerment and accountability.
3. The role of regulatory and professional bodies in promoting ethical and professional standards, how business organizations promote ethical awareness, how they punish unethical behaviour
4. Ethical codes including content, benefits to organisations, ethical conflicts and dilemmas (causes and safeguards against ethical threats)

INFORMATION SYSTEMS (THEORY)

H. INTRODUCTION TO INFORMATION COMMUNICATIONS TECHNOLOGY

1. Fundamentals of information technology
 - (a) Meaning of information communication technology (ICT) and information systems
 - (b) Role of ICT in a business environment
 - (c) Impact of computers and ICT on business
 - (d) The future of information technology in supporting business
2. Computer system:
 - (a) Meaning of computer; computer system
 - (b) Components of a computer system
 - (c) System environment boundary: Input, process, output
 - (d) Types of data/ information processing
 - (e) Care and security of computer systems
 - (i) Computer systems security
 - (ii) Computer viruses: Meaning and characteristics
 - (iii) Software and data security
 - (iv) Dangers to computer software and information systems
 - (v) Precautions and safeguards against data/ file loss
 - (vi) Antivirus software: Meaning, characteristics, types
 - (f) Management of computer systems
 - (g) Data and information: Distinction, characteristics, data processing cycle, value of information
 - (h) Modes of data processing (real-time/ online, batch, distributed, centralised)
 - (i) Attributes of good information
 - (j) Ergonomics (physical and mental health)
3. Information technology:
 - (a) Manual versus computerised systems
 - (b) Limitations of using computers
 - (c) Applications
 - (d) Social impact of computers and information technology

I. COMPUTER HARDWARE AND SOFTWARE

1. Computer hardware, including maintenance of hardware devices
2. Computer software, including the applicability of computer software to businesses

J. DATA COMMUNICATION AND COMPUTER NETWORKS

1. Data transmission:
 - (a) Data communication for business, including principles and devices
 - (b) Transmission and control of business data, including transmission characteristics
 - (c) Components of data communication
 - (d) Data management and security
2. Wired and wireless communication channels
3. Computer networks, including types, characteristics, benefits and challenges
4. Network topologies, including types and characteristics
5. Network models, including characteristics and applications of client-server and peer-to-peer systems
6. Big Data
7. Cloud computing
8. Internet of things (IoT):
 - (a) Meaning
 - (b) Technologies including real-time analytics, machine learning, commodity sensors, embedded systems and other emerging technologies
 - (c) Applications
 - (d) Enabling technologies: Addressability, application layer, standards and standards organisations
 - (e) Challenges and adoption barriers
 - (f) Government regulation

K. COMPUTER-BASED INFORMATION SYSTEMS

1. Nature, types, components and characteristics of information systems
2. Office automation systems

3. Benefits and limitations of computer-based information systems
4. Transaction processing, decision support, management information and executive support systems
5. Application of information systems in functional areas such as sales, marketing, manufacturing and production, finance and accounting and human resource management
6. Information systems as a tool for business strategy
7. Challenges posed by strategic information systems and possible solutions

L. INFORMATION SYSTEMS DEVELOPMENT

1. The traditional systems development life cycle, including the stages and activities involved and tools used
2. Stakeholders to system development, including their roles
3. Alternatives to the traditional systems development life cycle, including prototyping and rapid application development (RAD), joint application design (JAD), participatory design (PD) and agile methodologies
4. Systems development and management considerations
5. Organisational change considerations
6. Challenges of building and using information systems and possible solutions

M. E-GOVERNANCE

1. E-government and e-governance
2. Types of interactions in e-governance:
 - (a) Government-to-business (G2B)
 - (b) Government-to-citizen (G2C)
 - (c) Government-to-employees (G2E)
 - (d) Government-to-government (G2G)
3. E-governance models
4. Information communication technology (ICT) governance framework, including the tools used and compliance with the framework
5. Role of ICT in governance
6. Phases of e-governance

7. E-governance in Uganda, including the role of National Information Technology Authority Uganda and Uganda Communications Commission; e-services and benefits of e-governance
8. Challenges of e-governance

N. INFORMATION SYSTEMS RISK AND SECURITY MANAGEMENT

1. Introduction:
 - (a) Risk and risk management
 - (b) Types of risks
 - (c) Business value of security and controls
 - (d) Need for special protection from destruction, error and abuse of information systems
 - (e) Organisational and managerial frameworks for security and control
 - (f) Risk assessment and evaluation as well as risk management strategies
2. Importance of risk management; integration of risk management into the systems development life cycle
3. Risk assessment steps, including system characterisation, threat identification, vulnerability identification, control analysis, livelihood determination, impact analysis, risk determination, control recommendations, results documentation
4. Risk mitigation and risk mitigation options, including risk assumption, risk avoidance, risk limitation, risk planning, research and acknowledgment and risk transfer
5. Security controls:
 - (a) Technological security controls, management security controls, operational security controls
 - (b) Approaches to control implementation
 - (c) Quality control and quality assurance
 - (d) Tools and technologies for safeguarding information resources
 - (e) Challenges posed by information systems security and control and solutions to the challenges
6. Computer virus risks and mitigation measures
7. Residual risk

8. Cyber security, including data breaches, cyber risk management framework and controls to detect, prevent or mitigate cyber-based risks
9. Cloud based services and controls

O. ELECTRONIC COMMERCE (E-COMMERCE)

1. Concepts and features
2. Modes of e-commerce:
 - (a) Business-to-business (B2B)
 - (b) Business-to-consumer (B2C)
 - (c) Mobile commerce (m-commerce)
 - (d) Facebook commerce (f-commerce)
 - (e) Consumer-to-consumer (C2C)
 - (f) Consumer-to-business (C2B)
 - (g) Business-to-administration (B2A)
3. Marketing on the internet, including methods, e-marketplaces (including components and types as well as considerations for setting up an e-marketplace)
4. Security in e-commerce, including dimensions as well as types and causes of threats and measures to mitigate the threats
5. Ethical and legal issues
6. E-transactions

P. ARTIFICIAL INTELLIGENCE

1. Importance, application and challenges of artificial intelligence

INFORMATION SYSTEMS (HANDS-ON)

A. SPREADSHEETS

1. Introduction to spreadsheets, including commonly used spreadsheet programs
2. Standard features of spreadsheets
3. Microsoft Office Excel (Excel)
 - (a) Using Excel:
 - (i) Starting Excel
 - (ii) Excel working environment
 - (iii) Using the ribbon as the Excel user interface

- (iv) Navigating within the worksheet/ workbook
- (v) Selecting a cell or range of cells
- (vi) Entering data
- (vii) Cutting, copying and pasting cell values
- (viii) Copy and paste special
- (ix) Saving and opening a workbook
- (b) Managing rows and columns:
 - (i) Inserting, moving and deleting cells
 - (ii) Managing columns and rows
 - (iii) Hiding and unhiding rows/ columns
 - (iv) Formatting column widths and row heights
- (c) Managing worksheets:
 - (i) Formatting worksheet tabs
 - (ii) Inserting and deleting worksheets
 - (iii) Moving and copying worksheets
 - (iv) Hiding and unhiding worksheets
- (d) Formatting:
 - (i) Formatting cells
 - (ii) Formatting text and data
 - (iii) Number and date formatting
 - (iv) Merging cells, columns and rows
 - (v) Text wrapping
 - (vi) Formatting column width and row height
 - (vii) Finding and replacing text
 - (viii) Formatting using cell styles
- (e) Formulas and functions:
 - (i) Entering formulas
 - (ii) Arithmetic operators and order of operations
 - (iii) Auto-fill options
 - (iv) Commonly used functions: VLOOKUP, HLOOKUP, SUM, IF, MAX and MIN, SUMIF, COUNTIF, AND, OR, Left, Right and Concatenate, Round, Proper, Now, Rank, Financial functions
 - (f) Worksheet and table data:
 - (i) Creating and modifying tables

- (ii) Sorting and filtering data in tables
- (iii) Summarising table information
- (iv) Search and replace
- (v) Preparing output
- (g) Charts:
 - (i) Column charts
 - (ii) Bar charts
 - (iii) Line charts
 - (iv) Scatter charts
 - (v) Pie (doughnut) charts
- (h) Workbooks:
 - (i) Linking worksheets
 - (ii) Print areas; printing worksheets
 - (iii) Page setup options
 - (iv) Setting page breaks

B. WORD PROCESSING

1. Introduction to word processing, including commonly used word processing programs
2. Contents and uses of features of word processing programs
3. Using the Word Application:
 - (a) Saving document to a location on a drive, under another name and in another file type such as Text file, Rich text format, Hypertext Markup Language (HTML), Template, Software specific file extension and Version number
 - (b) Switching between open documents
 - (c) Using available help functions
 - (d) Closing a document
 - (e) Adjusting settings
 - (f) Changing between page view modes
 - (g) Using magnification/ zoom tools
 - (h) Displaying/ hiding built-in toolbars
 - (i) Displaying/ hiding non-printing characters
 - (j) Modifying basic options/ preferences in the Application, including user name, default directory/ folder to open, save documents

4. Main operations:
 - (a) Inserting and deleting text
 - (b) Paragraphing
 - (c) Using the keyboard to navigate around a document
 - (d) Inserting special characters and symbols
 - (e) Selecting data, character, word, line, sentence, paragraph and entire body text
 - (f) Using the 'undo' and 'redo' commands
 - (g) Duplicating, moving, deleting a file
 - (h) Duplicating text within a document and between open documents
 - (i) Editing content, including inserting new characters, words within existing text, overwriting text
 - (j) Searching and replacing
 - (k) Using a simple 'replace' command for a specific word or phrase
5. Document formatting:
 - (a) Inserting and removing paragraph marks
 - (b) Inserting and removing soft carriage return/ line break marks
 - (c) Aligning text to the left, centre, right and justified
 - (d) Setting paragraph alignment
 - (e) Setting alignment in styles
 - (f) Indenting paragraphs to the left, right, first line or hanging
 - (g) Line spacing: Single, double and line spacing within paragraphs
 - (h) Applying spacing above and/ or below paragraphs
 - (i) Setting, removing and using tabs: Left, centre, right and decimal
 - (j) Applying bullets:
 - (i) Numbers to a single level list
 - (ii) Removing bullets/ numbers from a single level list
 - (iii) Bulleting an existing list/ quick method
 - (iv) Bulleting an existing list using 'Format'
 - (v) Creating a new bullet list
 - (vi) Turning off bullets
 - (vii) Creating a numbered list
 - (k) Borders and shading

6. Tables:
 - (a) Creating a table
 - (b) Inserting and editing data in a table
 - (c) Selecting cells, rows, columns and entire table
 - (d) Inserting/ deleting rows and columns
 - (e) Modifying column width and row height
 - (f) Modifying cell border width, style and colour
 - (g) Setting borders of individual cells/ blocks of cells
 - (h) Adding shading to cells
 - (i) Adding a shadow on the table
 - (j) Other important table functions
7. Pictures, images and charts:
 - (a) Inserting picture or image or chart into a document
 - (b) Selecting picture, image or chart in a document
 - (c) Duplicating picture, image or chart within a document
 - (d) Resizing a picture, image or chart within a document
 - (e) Deleting a picture, image, chart within a document
8. Mail merging:
 - (a) Starting 'mail merge'
 - (b) Identifying the main document
 - (c) Creating a recipient list
 - (d) Customising columns in a recipient list
 - (e) Rearranging columns in a recipient list
 - (f) Saving a recipient list
 - (g) Entering records into a recipient list
 - (h) Sorting records to be merged
 - (i) Highlighting merge fields
 - (j) Inserting merge fields into a document
 - (k) Previewing merged data
 - (l) 'If-Then-Else' rule
 - (m) Merging to a new document
 - (n) Merging to a printer

9. Output:
 - (a) Document proofing: Checking layout, presentation and spelling
 - (b) Spell-check
 - (c) Using Thesaurus

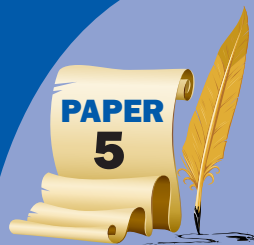
C. PRESENTATION SOFTWARE

1. Key features of and commonly used presentation software
2. Contents and uses of features of presentation software
3. Preparing a presentation
4. Exploring the 'PowerPoint' Application
5. Developing and working with presentations
6. Slides
7. Designing templates
8. Editing and proofing text
9. Formatting presentation text
10. Formatting bullets and numbers
11. Working with tables
12. Using graphic images
13. Using SmartArt
14. Master slide
15. Working with drawn objects and pictures
16. Text and images
17. Charts and graphs
18. Adding special effects
19. Duplicating, moving and deleting slides
20. Using page setup: Change slide setup, slide orientation to portrait and/or landscape
21. Using slide show view
22. Preparing output
23. Notes, outlines, page name
24. Handouts
25. Delivering a presentation.

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1. ICPAU, 2022. Management and Information Systems, Kampala.
2. Bocij, P., Chaffey, D., Greasley, A., and Hickie, S., 2014. Business Information. Systems: Technology, Development and Management in the E-Business, 5th ed, Pearson Education Limited.
3. DuBrin, J. A., 2019. Essential of Management, 11th ed, Cengage Learning (EMEA) Ltd.
4. Gerald, A. C and Phil Kelly., 2020. Management: Theory & Practice, 9th ed, UK: Cengage Learning.

BUSINESS AND COMPANY LAW



OVERALL AIM

To equip the learner with knowledge and skills essential for application of legal principles governing the business environment in Uganda

LEARNING OUTCOMES

On completion of this course, the learners should be able to:

	Learning outcomes	K	C	A	An	S	E
1.	Explain the general principles of law	✓					
2.	Discuss the laws governing contracts and persons		✓				
3.	Explain the principles of the law of agency		✓				
4.	Explain the general principles of the law of trusts		✓				
5.	Explain the legal relationships between employers and employees		✓				
6.	Describe the formation, operation and termination of partnerships and companies		✓				
7.	Apply the laws governing negotiable instruments			✓			
8.	Identify the various legal forms of insolvency	✓					
9.	Raise and resolve issues			✓			

LEVEL OF ASSESSMENT

The examination will test knowledge, comprehension and application of the principles of business and company laws to real life business situations

EXAMINATION STRUCTURE

There will be a three-hour examination made up of sections A and B. Section A will comprise 20 compulsory multiple-choice questions of 20 marks. Section B will comprise five questions of 20 marks each, of which the candidate will be required to attempt four.

DETAILED SYLLABUS

A. GENERAL PRINCIPLES OF LAW IN UGANDA

1. Role, nature and classification of law
2. Sources of law in Uganda
3. Legal systems and administration of law:
 - (a) Types of courts in Uganda
 - (b) Criminal versus civil law

B. LAW OF TORTS

1. Definition
2. Distinction between tort and contract; tort and crime
3. Elements of tort:
 - (a) Legal damage
 - (b) Injuria sine damnum
 - (c) Damnum sine injuria: ordinary trade competition, lawful use of one's property
4. Malice in tort:
 - (a) Malicious prosecution
 - (b) Malicious falsehood
5. Capacity of parties to sue and be sued:
 - (a) The government
 - (b) Foreign sovereigns and diplomats
 - (c) Corporations
 - (d) Trade unions
 - (e) Married women
 - (f) Infants and minors
 - (g) Liability of parents
 - (h) Judges and magistrates
 - (i) Persons of unsound mind
6. General defences in tort:
 - (a) Volenti non fit injuria
 - (b) Necessity
 - (c) Inevitable accident
 - (d) Act of God

- (e) Statutory authority
- (f) Mistake
- 7. Joint tortfeasors:
 - (a) Agency
 - (b) Joint action
 - (c) Vicarious liability:
 - (i) Basis
 - (ii) Definition of servant
 - (iii) Independent contractor; exceptions to the defence
- 8. Limitation/ survival of actions
- 9. Trespass:
 - (a) Trespass to persons (assault, battery; defences available); false imprisonment/ imprisonment without knowledge
 - (b) Trespass to land (continuing trespass, trespass ab initio, remedies and defences)
 - (c) Trespass to goods (elements, trespass to chattels or goods, conversion, things found on land, distinction between trespass and conversion, who can sue, remedies)
- 10. Negligence:
 - (a) Meaning
 - (b) Elements
 - (c) Standard of care
 - (d) Duty of care
 - (e) Contributory negligence
 - (f) Liability to children
 - (g) Negligent misstatement
- 11. Nuisance, including public nuisance, private nuisance, malice, who can sue and remedies and defences

C. LAW OF CONTRACT

- 1. General principles of the law of contract:
 - (a) Definition of a contract
 - (b) Classes of contracts
 - (c) Essential elements of a valid contract: Offer, acceptance, consideration, exceptions

- (d) Formation of contracts
- 2. Privity of contract:
 - (a) The general principle of privity of contract
 - (b) Exceptions of the general rule of privity of contract
- 3. Forms and terms of a contract:
 - (a) Forms in which a contract can be made
 - (b) Major and minor terms of a contract
 - (c) Contents of a contract
 - (d) Exclusion clauses
- 4. Standard form contracts
- 5. Factors that vitiate a contract:
 - (a) Mistake: Meaning, types of mistakes
 - (b) Misrepresentation: Meaning and types of misrepresentation; fraudulent misrepresentation
 - (c) Duress and undue influence
- 6. Illegal, void and voidable contracts:
 - (a) Differences between illegal and void contracts
 - (b) Effect of voidable contracts
- 7. Assignment: Meaning and forms of assignment
- 8. Discharge and frustration of contracts: Meaning and ways in which a contract can be discharged
- 9. Remedies and limitations of actions:
 - (a) Remedies for breach of contract
 - (b) Time limit for contractual actions
 - (c) Exceptions to limitation of contractual actions

D. SALE OF GOODS

- 1. Nature of the contract
- 2. Formalities of the contract
- 3. Passing of property
- 4. Terms of the contract
- 5. Implied terms by statute
- 6. Rights and duties of the parties

E. LAW OF AGENCY

1. Introduction to the law of agency:
 - (a) Meaning of agency
 - (b) Nature of agency
 - (c) Purpose of agency law
2. Formation and creation of principal-agent relationship
3. Types of agents
4. Duties and rights of an agent
5. Duties and rights of a principal
6. Rules governing the relationship between the principal and third parties
7. General rules governing the relationship between the agent and third parties and exceptions to the rules
8. Circumstances under which an agency relationship can be terminated

F. LAW OF TRUST

1. Meaning and types of trusts
2. Parties to a trust
3. Circumstances under which a trust can be created
4. Appointment, discharge, duties and liabilities of trustees:
 - (a) Requirements for appointment as a trustee
 - (b) Circumstances under which a trustee can be discharged
 - (c) Duties and liabilities of trustees
5. Termination of a trust

G. EMPLOYMENT LAW

1. Contract of employment:
 - (a) Contents of a contract of employment
 - (b) Contract of service versus contract for services
2. Duties and rights of employees
3. Obligations of an employer to employees
4. Discrimination:
 - (a) Types of discrimination
 - (b) Statutory provisions against discrimination

5. Termination of contract of employment:
 - (a) Circumstances under which a contract of employment can be terminated
 - (b) Circumstances under which termination may be unlawful

H. LAW OF PARTNERSHIPS

1. Meaning, types and formation of partnership
2. Relationship of partners; duties and rights
3. Obligations of partners to third parties
4. Liability of partners
5. Termination of partnerships

I. NEGOTIABLE INSTRUMENTS

1. Meaning and characteristics
2. Types:
 - (a) Cheques:
 - (i) Meaning, nature and types
 - (ii) Parties to a cheque, their rights and obligations
 - (iii) Cheque crossings and endorsements
 - (iv) Dishonour and discharge
 - (v) Forgeries
 - (b) Bills of exchange:
 - (i) Meaning, nature and types
 - (ii) Parties to a bill of exchange; their rights and obligations
 - (iii) Acceptance, negotiation, endorsement, dishonour, discharge, forgeries

J. COOPERATIVES

1. The cooperative identity- definition, universal cooperative principles and values
2. Cooperative formation
3. Registration of cooperative societies
 - (a) Conditions of registration
 - (b) Application for registration
 - (c) Registration on probation and permanent
 - (d) Conditions

- (e) Pre-registration contracts
- (f) Cancellation of registration
- (g) Amendment of the byelaws of a registered society
- (h) Provisions regarding name of a registered society
- (i) Evidence of registration
- 4. Cooperative governance organs
 - (a) Rights and liabilities of members
 - (b) Qualifications for membership
 - (c) Restriction on shareholding
 - (d) Restriction on membership
 - (e) Rights and obligations of members
 - (f) Restriction on membership
 - (g) Rights and obligations of members
 - (h) Votes of members
 - (i) Leadership and management of a society
 - (j) Supervisory board
 - (k) Restrictions on transfer of share or interest
- 5. Duties of registered societies
 - (a) Address of society
 - (b) Copy of the Act, regulations, byelaws, etc. to be open for inspection
 - (c) Records management of a registered society
 - (d) Audit, annual returns and accounts
 - (e) Qualifications of auditors
 - (f) Estimates and expenditure
 - (g) Voluntary amalgamation of societies
 - (h) Transfer of assets and liabilities to another society
 - (i) Voluntary division of a society
- 6. Duties of the board and privileges of registered societies
 - (a) Societies to be bodies corporate
 - (b) Board of Directors of the Uganda Cooperative Alliance Ltd.
 - (c) Byelaws to bind members
 - (d) Contract with members to dispose of produce

- (e) Imposition of fines upon members
 - (f) Charge on agricultural produce and certain other materials and articles
 - (g) Charge and setoff in respect of shares or interest of members
 - (h) Share or interest not liable to attachment
 - (i) Liability of past member
 - (j) Liability of estate of deceased member
 - (k) Transfer of interest on death of member
 - (l) Registers and books of societies and copies of them shall be received in evidence in certain circumstances
 - (m) Restriction on the production of a society's books
 - (n) Power to exempt from duty or tax
7. Property and funds of registered societies
- (a) Restrictions on loans
 - (b) Restrictions on borrowing
 - (c) Restrictions on other transactions with nonmembers
 - (d) Investment of funds
 - (e) Dividend or bonus
 - (f) Reserve and provident fund
 - (g) Distribution of net balance
 - (h) Contribution to education fund
 - (i) Cooperative member education
 - (j) Audit and Supervision Fund
8. Supervision and inspection of affairs
- (a) Production of cash and books of a registered society
 - (b) Ad hoc committee of inquiry

K. COMPANY LAW

1. Meaning of company
2. Incorporation and classification of companies:
 - (a) Types of companies
 - (b) Public versus private companies
 - (c) Registration procedure

- (d) Importance of certificate of incorporation
- 3. Commencement of business; requirements before commencement of business
- 4. Formation of a company:
 - (a) Meaning and duties of promoters
 - (b) Rules governing pre-incorporation contracts
 - (c) Remuneration of promoters
 - (d) Remedies for pre-incorporation acts of promoters
 - (e) Characteristics of a company
 - (f) The veil of incorporation; circumstances under which the veil of incorporation may be lifted
 - (g) The ultra vires doctrine: NB Please note that this doctrine was outlawed in Uganda.
- 5. Memorandum of association:
 - (a) Importance and contents
 - (b) Alteration; requirements for and effects of alteration
- 6. Articles of association:
 - (a) Importance and contents
 - (b) Alteration; requirements for and effects of alteration
 - (c) Table A of The Companies Act, 2012
- 7. Membership:
 - (a) Eligibility for membership
 - (b) Process of becoming a member
 - (c) Termination of membership
 - (d) Register of members, its contents and importance
- 8. Prospectus:
 - (a) Meaning, nature and contents
 - (b) Ways of how liabilities may arise as a result of issuance of a prospectus
 - (c) Remedies for parties who may be aggrieved as a result of issuance of a prospectus

9. Shares and share capital:
 - (a) Meaning and types
 - (b) Ways of raising share capital: Offers, underwriting, brokerage
 - (c) Liability for misrepresentation and non-disclosure
10. Issue of shares:
 - (a) Notice
 - (b) Application
 - (c) Allotment; rules governing the allotment of shares; restrictions on allotment
 - (d) Eligibility for application and allotment
 - (e) Powers under issue of shares
 - (f) Consideration
 - (g) Pre-emption rights
 - (h) Issue of shares at a discount and at a premium
 - (i) Share certificate
11. Transfer of shares:
 - (a) Rules governing calls on and transfer of shares
 - (b) Circumstances under which transfer of shares can be restricted
 - (c) Meaning of 'mortgage', 'forfeiture', 'surrender', 'conversion'
 - (d) Liability for misrepresentation and non-disclosure in a transaction of transfer of shares
12. Annual returns
13. Class rights and variation of class rights
14. Alteration and reduction of share capital; reasons why reduction of share capital is prohibited
15. Purchase of own shares
16. Debentures:
 - (a) Definition and classification of debentures.
 - (b) Manner in which debentures can be issued and transferred.

- (c) Trust deed:
 - (i) Meaning
 - (ii) Advantages
 - (d) Priority of payment of debenture holders
 - (e) Types of charges
 - (f) Remedies for debenture holders
17. Dividends:
- (a) Meaning
 - (b) Declaration and payment
 - (c) Unlawful distribution of dividends
 - (d) Capitalisation of profits
18. Meetings:
- (a) Statutory meeting:
 - (i) Meaning
 - (ii) Importance of holding a statutory meeting
 - (b) Annual general meeting
 - (i) Meaning
 - (ii) Importance
 - (iii) Business to be transacted
 - (c) Other meetings
 - (d) Notices of meetings; statutory requirements for notices of different meetings
 - (e) Proceedings at general meetings; legal requirements of conducting a general meeting
19. Directors:
- (a) Appointment:
 - (i) Process of appointment
 - (ii) Qualification for appointment
 - (b) Publicity requirements; circumstances under which directors are supposed to be publicised
 - (c) Powers, duties and responsibilities of directors; circumstances under which a director can be held liable personally

- (d) (d) Remuneration; circumstances under directors are remunerated
 - (e) Directors' meetings; roles of directors in their meeting
 - (f) Directors' interest in shares or debentures; circumstances under which directors can have interest in shares or debentures
 - (g) Disqualification and removal of directors
20. Company secretary:
- (a) Appointment, duties and powers of a company secretary
 - (b) Contents of the register of directors and secretaries
21. Accounts and company auditors:
- (a) Financial statements
 - (b) Meaning of an auditor
 - (c) Directors' duties
 - (d) Auditor's responsibilities
 - (e) Auditor's report
 - (f) Circumstances under which an auditor can be personally liable for damages arising out of their report
 - (g) Appointment, resignation and removal, qualifications, rights and duties, remuneration, liability for negligence of auditors
22. Majority rule, minority protection and investigations:
- (a) Rule in Foss v Harbottle
 - (b) Protection of minority shareholders under common law and case law
 - (c) Circumstances under which shareholders can bring action for or against the company.
 - (d) Circumstances under which company investigations and inspections can be carried out
 - (e) The rule in Turquand case
23. Corporate insolvency/ winding up:
- (a) Meaning of the term winding up
 - (b) Ways of winding up
 - (c) Grounds for winding up
 - (d) Petition for winding up

- (e) Procedure for winding up
- (f) Commencement and completion
- (g) Legal consequences of winding up
- (h) Priority in the apportionment of proceeds from winding up

24. The liquidator:

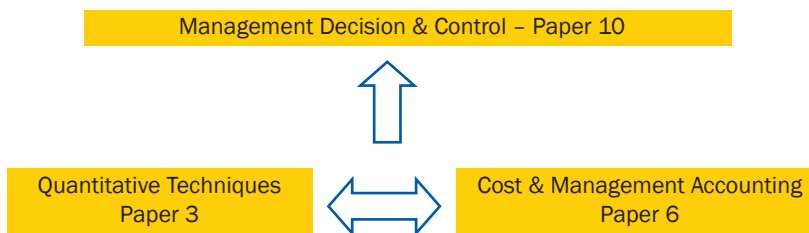
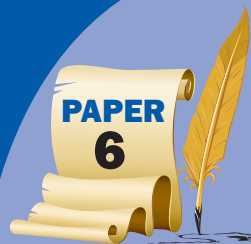
- (a) Meaning of liquidator
- (b) Appointment and removal
- (c) Remuneration
- (d) Control over a liquidator
- (e) Rights, powers and duties of a liquidator
- (f) Ways in which a liquidator may be liable for transactions made during winding up

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1. ICPAU, 2022. Business and Company Law: Kampala.
2. Bakibinga D.J., 2022. Company Law in East Africa, Notion Press.
3. Bakibinga D.J, 2006. Equity & Trusts in Uganda, 2nd Edition, Kampala: Professional Books Publishers.
4. Bakibinga D.J., 2013. Law of Contract in Uganda, 2nd Edition, Kampala: Fountain Publishers.
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6. Hussain A., 2003. General Principles and Commercial Law of Kenya, Nairobi: East African Educational Publishers Ltd.
7. Government of Uganda, by Uganda Printing and Publishing Corporation:
 - (a) Companies Act, 2012
 - (b) Employment Act, 2006
 - (c) Insolvency (Amendment) Act, 2022
 - (d) Contracts Act, 2010
 - (e) Partnership Act, 2010
 - (f) Sale of Goods and Supply of Services Act, 2017

COST AND MANAGEMENT ACCOUNTING

SYLLABUS CHART



OVERALL AIM

To equip the learner with ability to apply the principles, concepts and techniques of cost and management accounting to generate information for decision making

LEARNING OUTCOMES

On completion of this course, the learner should be able to:

	Learning outcomes	K	C	A	An	S	E
1.	Explain the nature and roles of cost accounting, management accounting and financial accounting		✓				
2.	Explain the elements of cost		✓				
3.	Allocate costs to cost units, cost objects, cost centres			✓			
4.	Calculate product costs under different methods of cost accounting			✓			
5.	Compute relevant costs for decision-making			✓			
6.	Discuss the principles of budgeting		✓				
7.	Prepare budgets			✓			
8.	Analyse variances				✓		
9.	Explain ethical issues encountered by management accountants		✓				

LEVEL OF ASSESSMENT

The examination will test knowledge, comprehension, application and analysis of the principles, concepts and techniques of cost and management accounting

EXAMINATION STRUCTURE

There will be a three-hour examination made up of sections A and B. Section A will comprise 20 compulsory multiple-choice questions of 20 marks. Section B will comprise five questions of 20 marks each, of which the candidate will be required to attempt any four

DETAILED SYLLABUS

A. INTRODUCTION

1. Cost accounting:
 - (a) Nature, meaning and scope
 - (b) Users of cost accounting information and their needs
 - (c) Purpose of cost accounting information
 - (d) Selection of an ideal cost accounting system
 - (e) Challenges of establishing a cost accounting system
2. Management accounting:
 - (a) Meaning, nature, scope, limitations, applications
 - (b) Users of management accounting information and their needs
 - (c) The roles of a management accountant and financial accountant
 - (d) Relationship between management accounting, cost accounting and financial accounting
 - (e) Ethical requirements of a management accountant

B. COST CLASSIFICATION

1. Meaning of: Cost, cost unit, cost centre, cost object, cost objective, cost behaviour, cost classification
2. Types of costs
3. Cost classification: Types; importance of each type
4. Elements of manufacturing costs: Direct, indirect and non-manufacturing costs
5. Cost sheet/ cost statement

6. Introduction to cost estimation:
 - (a) Meaning
 - (b) Methods of estimating cost:
 - (i) Non-mathematical: Engineering, accounts analysis, high-low
 - (ii) Mathematical: Scatter graph, ordinary least squares (OLS) regression method (simple linear regression only)

C. MATERIALS COSTING

1. Meaning and components of material cost
2. Materials control:
 - (a) Objectives
 - (b) Procedures: Purchasing, issuance, storage
3. Inventory records:
 - (a) Bin card
 - (b) Stores ledger card
4. Merits and demerits of centralised and decentralised stores management systems
5. Documents used in materials control:
 - (a) Materials requisition note
 - (b) Bill of materials
 - (c) Goods received note
 - (d) Delivery note
 - (e) Materials returned note
 - (f) Materials transfer note
6. Techniques of inventory control:
 - (a) Economic order quantity
 - (b) Control level
 - (c) Just in time
 - (d) ABC analysis/ Pareto analysis
 - (e) Inventory (stock) turnover ratio
 - (f) Fast moving, slow moving and non-moving items (FSN) analysis
7. Merits and demerits of continuous and periodic inventory counting (stocktaking) methods:
8. Perpetual inventory control system

9. Application of first in first out, weighted average and last in first out methods of inventory valuation; advantages and disadvantages of each method

10. Accounting for material losses

D. LABOUR COSTING

1. Meaning and classification of labour costs

2. Procedures followed in controlling labour costs

3. Labour turnover:

(a) Meaning

(b) Causes

(c) Effects

(d) Costs

(e) Methods of reducing labour turnover

4. Job evaluation versus job analysis

5. Merits and demerits of merit rating

6. Payroll accounting:

(a) Meaning

(b) Comparison with labour cost accounting

(c) Functions and responsibilities of the payroll function

7. Determination of gross wages using:

(a) Clock and time cards

(b) Piecework cards

(c) Employee record cards

(d) Job cards

8. Payroll fraud and prevention

9. Idle time, idle capacity, overtime and their treatment

10. Time rate, piece rate and premium/ bonus methods of labour remuneration; advantages and disadvantages of each method

11. Incentive schemes:

(a) Principles of a good incentive scheme

(b) Halsey and Rowan incentive schemes; merits and demerits of each scheme

E. OVERHEAD COSTING

1. Meaning of overheads
2. Classification of overheads
3. Methods of semi-variable overhead segregation:
 - (a) High-low
 - (b) Scatter diagram
 - (c) Ordinary least squares regression (simple linear regression)
4. Allocation and apportionment of overheads
5. Simultaneous equation, repeated distribution and elimination/ step methods of re-apportionment of service department overheads to production departments
6. Overhead absorption
 - (a) Determination of overhead absorption rates:
 - (i) Actual overhead rate
 - (ii) Blanket and departmental overhead rates
 - (b) Methods of overhead recovery:
 - (i) Direct material cost
 - (ii) Direct wages
 - (iii) Prime cost
 - (iv) Direct labour hour
 - (v) Machine hour rate
 - (vi) Rate per unit of output
 - (c) Accounting for under/ over recovery of overheads
 - (d) Causes of under/ over absorption of overheads
7. Meaning and determination of idle, normal, actual, practical and maximum capacity levels

F. COST ACCOUNTS

1. Integrated cost accounting systems:
 - (a) Meaning
 - (b) Advantages and disadvantages
 - (c) Accounts maintained

2. Interlocking cost accounting systems:
 - (a) Meaning
 - (b) Advantages and disadvantages
 - (c) Accounts maintained
3. Reconciliation of profits between integrated and interlocking cost accounting systems

G. SPECIFIC ORDER COSTING METHODS

1. Job costing:
 - (a) Meaning, features and procedures
 - (b) Job cost determination
2. Batch costing:
 - (a) Meaning, features and procedures
 - (b) Batch cost determination
3. Contract costing:
 - (a) Meaning, features and procedures
 - (b) Preparation of contract accounts
 - (c) Determination of profit/ loss on contracts
4. Service costing:
 - (a) Meaning and features
 - (b) Unit costing and multiple costing
 - (c) Types of cost units
 - (d) Determination and control of costs

H. PROCESS COSTING

1. Process costing:
 - (a) Meaning and features
 - (b) Specific order costing versus process costing
 - (c) Preparation of process accounts
 - (d) Normal and abnormal losses or gains
 - (e) Accounting for normal and abnormal losses or gains
 - (f) Work in progress:
 - (i) Equivalent units and their determination
 - (ii) Preparation of appropriate statements

2. Joint products:
 - (a) Meaning
 - (b) Average unit cost, contribution, physical unit, survey and market value methods of apportioning joint costs
3. By-products:
 - (a) Meaning and classification
 - (b) By-products, main product, joint products
 - (c) Cost and non-cost methods of accounting for by-products

I. ABSORPTION VERSUS MARGINAL COSTING

1. Meaning of marginal and absorption costing
2. Marginal costing versus absorption costing
3. Merits and demerits of each method
4. Preparation of financial statements and determination of cost of production and profit under each method; impact of each method on profit
5. Cost-volume-profit analysis:
 - (a) Assumptions
 - (b) Accountant's model versus economist's model; cost and revenue functions
6. Graphical/ non-graphical methods of determining and interpreting:
 - (a) Breakeven point
 - (b) Contribution
 - (c) Profit or loss
 - (d) Margin of safety
 - (e) Angle of incidence
7. Preparation of cost-volume profit statements

J. RELEVANT AND IRRELEVANT COSTS

1. Concept of decision making; relevant costs, irrelevant costs
2. Steps in decision-making
3. Limiting factors for decision-making
4. Relevant costs versus irrelevant costs for decision-making

5. Preparation of statements for relevant costs and irrelevant costs (including the evaluation of performance and interpretation of information to management) under the following decision scenarios:
 - (a) Sales mix
 - (b) Product line discontinuation
 - (c) Make or buy
 - (d) Shut down
 - (e) Expansion or contraction
 - (f) Special order
 - (g) Further processing

K. ALTERNATIVE COST ACCOUNTING METHODS

1. Activity-based costing (ABC):
 - (a) Meaning
 - (b) ABC versus traditional costing systems
 - (c) Merits and demerits of ABC
 - (d) Classification of activities
 - (e) Selection and evaluation of the validity of different cost drivers
 - (f) Determination of product costs using ABC
2. Introduction to other alternative cost accounting methods:
 - (a) Target costing
 - (b) Life cycle costing
 - (c) Total quality management
 - (d) Backflush costing technique
 - (e) Throughput costing technique

L. BUDGETING AND BUDGETARY CONTROL

1. Budget/ budgeting:
 - (a) Meaning
 - (b) Purpose
 - (c) Advantages and disadvantages of budgeting
 - (d) Stages in the budgeting process
 - (e) Limiting factors in budgeting

- (f) Preparation, merits and demerits of the following:
 - (i) Functional budgets
 - (ii) Cash budget
 - (iii) Flexible and fixed budgets
 - (iv) Master budget
 - (v) Basic and current budgets
 - (vi) Short-term and long-term budgets
- 2. Meaning, merits, demerits of the following alternative approaches to budgeting:
 - (a) Zero-based budgeting
 - (b) Activity-based budgeting
 - (c) Rolling budgeting
 - (d) Beyond budgeting
 - (e) Incremental budgeting
- 3. Organisational and behavioural aspects of budgeting:
 - (a) Motivation
 - (i) Importance of motivation in performance management
 - (ii) Factors in budgetary planning and control system that influence motivation
 - (iii) Impact of targets on motivation
 - (b) Managerial incentive schemes
 - (c) Participative approach to budgeting: Advantages, disadvantages
 - (d) Top down, bottom up approaches to budgeting
- 4. Budgetary control and reporting
 - (a) Meaning
 - (b) Purpose
 - (c) Operation of a budgetary control system
 - (d) Budgeting and budgetary control in the private and public sector
 - (e) Budgetary variances: flexed budget, fixed budget
 - (f) Concept of responsibility accounting and its significance in budgetary control

- (g) Concept of controllable and uncontrollable costs
- (h) Meaning and computation of capacity, efficiency, activity ratios
- (i) Preparation of control reports

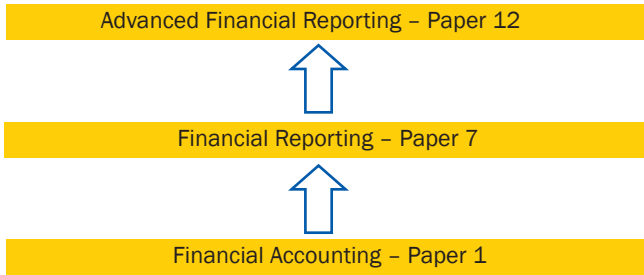
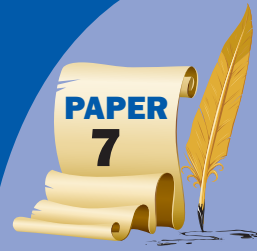
M. STANDARD COSTING AND VARIANCE ANALYSIS

1. Standard costing:
 - (a) Meaning of standard costing, standard costs
 - (b) Standard costing versus budgetary control; standard costs versus budgeted costs
 - (c) Advantages and disadvantages of standard costing
 - (d) Basic, ideal, currently attainable and expected standards
 - (e) Establishing cost standards for direct materials, direct labour, overheads and sales price and margin
 - (f) Standard cost card/ sheet
 - (g) Preparation of standard cost statements
2. Variance analysis:
 - (a) Meaning
 - (b) Determination of variances for direct materials, direct labour, overheads and sales
 - (c) Responsibility centres for variances
 - (d) Profit or loss statement showing interrelationship of variances
 - (e) Causes of variances; control actions for variances
 - (f) Factors to consider before investigating variances
 - (g) Reconciliation of budgeted and actual profit

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2. Arora, M. N., 2021. Cost Accounting: Principles & Practice, 13th ed, Vikas Publishing House
3. Colin D., 2021. Management and Cost Accounting, 11th ed, Andover: Cengage Learning

LEVEL II FINANCIAL REPORTING SYLLABUS CHART



OVERALL AIM

To equip the learner with skills to prepare and interpret financial information in accordance with the requirements of the regulatory framework for financial reporting and the international financial reporting standards

LEARNING OUTCOMES

On completion of this course, the learner will be able to:

	Learning outcomes	K	C	A	An	S	E
1.	Describe the financial reporting framework		✓				
2.	Measure the elements of financial statements		✓				
3.	Prepare accounting records			✓			
4.	Prepare financial statements for internal and external use			✓			
5.	Apply selected international financial reporting standards			✓			
6.	Analyse financial statements				✓		
7.	Interpret accounting information and financial statements				✓		
8.	Prepare consolidated financial statements of a simple group structure			✓			
9.	Prepare accounting records for entities under receivership and liquidation			✓			

LEVEL OF ASSESSMENT

The examination will test the learner's skills of preparation, presentation, interpretation and reporting of financial information

EXAMINATION STRUCTURE

There will be a three-hour examination made up sections A and B. Section A will comprise one compulsory question of 40 marks. Section B will comprise four questions of 20 marks each, of which the candidate will be required to attempt any three

DETAILED SYLLABUS

A. CONCEPTUAL FRAMEWORK

1. The objective of general purpose financial reporting: Information about a reporting entity's economic resources and claims; changes in resources and claims; information about use of the entity's economic resources
2. Qualitative characteristics of useful financial information: Fundamental and enhancing qualitative characteristics
3. Financial statements and the reporting entity
4. Elements of the financial statements
5. Recognition and de-recognition
6. The Companies Act, 2012:
 - (a) Accounting and reporting requirements
 - (b) Impact of the Act on financial accounting and reporting
7. Measurement of the elements of financial statements-accounting bases (historical cost, modified historical cost, current cost, realisable/settlement value, present value)
 - (a) Advantages and disadvantages of each base
 - (b) Valuation of assets
 - (c) Measurement of profit: Financial and physical capital maintenance concepts
 - (d) Preparation of financial statements under historical cost, current cost, realisable value and present value bases
8. Presentation and disclosure

B. INTERNATIONAL ACCOUNTING STANDARD (IAS) 1, PRESENTATION OF FINANCIAL STATEMENTS

1. Objective and scope of the Standard
2. Complete set of financial statements
3. Key concepts of the Standard
4. Information to be presented on the face of each financial statement
5. Presentation and disclosure of assets and liabilities
6. Classification of assets and liabilities as current or non-current
7. Statement of profit or loss and other comprehensive income:
 - (a) Meaning of comprehensive income
 - (b) Reporting comprehensive income
 - (c) Results of operating activities
 - (d) Other comprehensive income
8. Statement of financial position:
 - (a) Disclosure of property, plant and equipment
 - (b) Non-current assets and current assets
 - (c) Non-current liabilities and current liabilities
 - (d) Equity
 - (e) Other disclosures
9. Statement of cash flows:
 - (a) Meaning of cash, cash equivalents, cash flows
 - (b) Disclosures under operating, investing and financing activities
 - (c) Preparation of statement of cash flows
10. Statement of changes in equity:
 - (a) Components
 - (b) Disclosure of changes in accounting policy, dividends, issue of share capital and transfers to and from reserves
11. Accounting policies and notes to financial statements; disclosure of the measurement basis (or bases) used, other accounting policies used and estimation of uncertainty

12. Preparation of financial statements in accordance with international financial reporting standards and the Companies Act, 2012:
 - (a) Presentation and analysis of expenses basing on their nature and function
 - (b) Disclosures required

C. INTERNATIONAL ACCOUNTING STANDARD (IAS) 7, STATEMENT OF CASH FLOWS

1. Objective of the Standard
2. Key concepts of the Standard
3. Usefulness of a statement of cash flows
4. Operating, investing and financing cash flows
5. Direct and indirect methods of reporting cash flows
6. Determination of cash flows
7. Presentation and disclosure
8. Interpretation of a statement of cash flows
9. Limitations of the Standard

D. INTERNATIONAL ACCOUNTING STANDARD (IAS) 33, EARNINGS PER SHARE (EPS)

1. Objectives/ issues addressed by the Standard
2. Scope of the Standard
3. Key concepts of the Standard:
4. Measurement:
 - (a) Basic EPS
 - (b) Weighted number of shares and consideration
 - (c) Diluted EPS
 - (d) Effect of changes in capital structure on EPS
 - (e) Capitalisation/ bonus issue of shares, rights issue of shares, share split/ reverse share split
 - (f) Conditions for restatement of EPS
5. Presentation and disclosure:
 - (a) Basic EPS and diluted EPS
 - (b) Basic and diluted profits/ losses

(c) Disclosure notes in statements of profit or loss and other comprehensive income and statement of financial position

(d) Significance of EPS

E. INTERNATIONAL ACCOUNTING STANDARD (IAS) 8, ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES AND ERRORS

1. Objective and scope of the Standard
2. Key concepts of the Standard
3. Treatment of accounting policies; selection and application of accounting policies, consistency of accounting policies; and changes in accounting policies
4. Accounting treatment and disclosure of changes in accounting estimates
5. Accounting treatment and disclosure of errors; limitations of retrospective restatement and disclosure of prior period errors
6. Impracticability in respect of retrospective application and retrospective restatement

F. INTERNATIONAL ACCOUNTING STANDARD (IAS) 2, INVENTORIES

1. Objective and scope of the Standard
2. Exceptions to the Standard
3. Key concepts of the Standard
4. Measurement of inventories at cost, net realisable value and fair value
5. Cost of inventory:
 - (a) Composition of cost; exclusions from the cost of inventory
 - (b) Cost formulas
 - (c) Techniques for measuring cost of inventory

6. Presentation and disclosure

G. INTERNATIONAL FINANCIAL REPORTING STANDARD (IFRS) 15, REVENUE FROM CONTRACTS WITH CUSTOMERS

1. Objective and scope of the Standard
2. Exceptions to the Standard
3. Key concepts of the Standard
4. Recognition (five steps of revenue recognition):
 - (a) Identification of the contract

- (b) Combination of contracts
 - (c) Contract modifications
 - (d) Identification of performance obligations
 - (e) Satisfaction of performance obligations
5. Measurement:
 - (a) Determination of transaction price
 - (b) Allocation of the transaction price to performance obligations
 - (c) Changes in transaction price
 6. Contract costs
 - (a) Incremental costs of obtaining a contract
 - (b) Costs to fulfil a contract
 - (c) Amortisation and impairment
 7. Presentation and disclosure requirements:
 - (a) Contracts with customers
 - (b) Disaggregation of revenue
 - (c) Contract balances
 - (d) Performance obligations
 - (e) Transaction price allocated to the remaining performance obligations
 - (f) Significant judgements in the application of the standard
 - (g) Assets recognised from the costs to obtain or fulfil a contract with customer
 - (h) The timing of satisfaction of performance obligations
 - (i) The transaction price and the amounts allocated to performance obligations
 - (j) Practical expedients
 8. Application of IFRS 15 to Islamic finance transactions

H. INTERNATIONAL ACCOUNTING STANDARD (IAS) 12, INCOME TAXES

1. Objective and scope of the Standard
2. Key concepts of the Standard

3. Accounting treatment, recognition and measurement:

- (a) Current tax assets and liabilities
- (b) Deferred tax assets and liabilities

4. Presentation and disclosure

I. INTERNATIONAL ACCOUNTING STANDARD (IAS) 16, PROPERTY, PLANT AND EQUIPMENT

1. Objective and scope of the Standard

2. Exceptions to the Standard

3. Key concepts of the Standard

4. Accounting treatment:

- (a) Recognition of assets
- (b) Components of cost
- (c) Disposal of assets
- (d) Capitalisation
- (e) Write-offs and expenses
- (f) Revaluation surpluses/ deficits
- (g) Reversal of revaluation surpluses
- (h) De-recognition

5. Presentation and disclosure

6. The non-current assets schedule

J. INTERNATIONAL FINANCIAL REPORTING STANDARD (IFRS) 13, FAIR VALUE MEASUREMENT

1. Objective and scope of the Standard

2. Exceptions to the Standard

3. Key concepts of the Standard

4. Application to non-financial assets, liabilities, own equity instruments

- (a) Valuation of non-financial assets, liabilities, own equity instruments
- (b) Valuation techniques and inputs
- (c) Fair value hierarchy

5. Non-performance risk

6. Presentation and disclosure

K. INTERNATIONAL ACCOUNTING STANDARD (IAS) 21, EFFECT OF CHANGE IN FOREIGN EXCHANGE RATES

1. Objective and scope of the Standard
2. Key concepts of the Standard
3. Translation methods (functional currency to presentation currency)
4. Recording and re-translation of monetary and non-monetary items at the reporting date
5. Recognition of exchange differences
6. Disclosure

L. INTERNATIONAL ACCOUNTING STANDARD (IAS) 40, INVESTMENT PROPERTY

1. Objective and scope of the Standard
2. Exceptions to the Standard
3. Key concepts of the Standard
4. Accounting treatment:
 - (a) Recognition criteria
 - (b) Initial measurement
 - (c) Subsequent measurement (fair value and cost models)
 - (d) Principles used to determine the fair value of investment property
 - (e) Transfers to and/ or from investment property
 - (f) De-recognition
5. Presentation and disclosure

M. INTERNATIONAL FINANCIAL REPORTING STANDARD (IFRS) 16, LEASES

1. Objective and scope of the Standard
2. Recognition exemptions
3. Key concepts of the Standard:
4. Lease identification; separating components of a lease contract
5. Lease term
6. Lessee:
 - (a) Recognition and measurement; initial measurement of right-to-use asset and lease liability
 - (b) Subsequent measurement of right-of-use asset and lease liability
 - (c) Reassessment of the lease liability
 - (d) Lease modifications
 - (e) Presentation and disclosure

7. Lessor: Classification of leases (finance and operating leases)
8. Accounting for leases by the lessee and the lessor:
 - (a) The five step model
 - (b) In an ordinary lease contract/ arrangement
 - (c) Where there is change in conditions of the lease during the course of the lease
 - (d) In a sale and lease back transaction
9. Presentation and disclosure
10. Application of IFRS 16 to Islamic finance transactions

N. INTERNATIONAL ACCOUNTING STANDARD (IAS) 20, ACCOUNTING FOR GOVERNMENT GRANTS AND DISCLOSURE OF GOVERNMENT ASSISTANCE

1. Objective and scope of the Standard
2. Key concepts of the Standard
3. Accounting treatment:
 - (a) Capital and income related grants and forgiven loans
 - (b) Capital and income approaches of accounting for government loans; arguments for and/ or against each approach
4. Presentation and disclosure

O. INTERNATIONAL ACCOUNTING STANDARD (IAS) 23, BORROWING COSTS

1. Objective and scope of the Standard
2. Key concepts of the Standard
3. Arguments for/ against capitalisation
4. Accounting treatment:
 - (a) Methods of accounting for borrowing costs
 - (b) Capitalisation: Commencement, cessation, eligible costs and eligible amounts
5. Presentation and disclosure
6. Accounting versus tax treatment of borrowing costs

P. INTERNATIONAL ACCOUNTING STANDARD (IAS) 36, IMPAIRMENT OF ASSETS

1. Objective and scope of the Standard
2. Exceptions to the Standard

3. Key concepts of the Standard
4. Identification of a potentially impaired asset
5. Accounting treatment:
 - (a) Estimation of recoverable amount of tangible and intangible assets
 - (b) Recognition and measurement of an impairment loss
 - (c) Determination of recoverable amounts for cash generating units
 - (d) Impairment of intangible assets
6. Presentation and disclosure

Q. INTERNATIONAL ACCOUNTING STANDARD (IAS) 37, PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

1. Objective and scope of the Standard
2. Key concepts of the Standard
3. Accounting treatment:
 - (a) Conditions for recognition of a provision
 - (b) Legal and constructive obligations
 - (c) Recognition and measurement principles
4. Presentation and disclosure

R. INTERNATIONAL ACCOUNTING STANDARD (IAS) 38, INTANGIBLE ASSETS

1. Objective and scope of the Standard
2. Exceptions to the Standard
3. Key concepts of the Standard
4. Accounting treatment:
 - (a) Conditions for recognition of intangible asset
 - (b) Initial recognition of intangible asset
 - (c) Cost and revaluation models
 - (d) Conditions for recognition of research and development expenditure
 - (e) Impairment of intangible assets
5. Presentation and disclosure

S. INTERNATIONAL ACCOUNTING STANDARD (IAS) 41, AGRICULTURE

1. Objective and scope of the Standard
2. Exceptions to the Standard

3. Key concepts of the Standard
4. Accounting treatment:
 - (a) Recognition of biological asset or agricultural produce
 - (b) Measurement of biological asset; fair value less estimated cost to sell
 - (c) Determination of fair value; gain or loss on initial recognition of biological asset or agricultural produce
 - (d) Government grants related to biological assets
5. Presentation and disclosure

T. INTERNATIONAL FINANCIAL REPORTING STANDARD (IFRS) 6, EXPLORATION FOR AND EVALUATION OF MINERAL RESOURCES

1. Objective and scope of the standard
2. Key concepts of the Standard
3. Recognition of exploration and evaluation assets
4. Measurement:
 - (a) At recognition
 - (b) After recognition
5. Changes in accounting policy
6. Presentation of exploration and evaluation assets
7. Classification and reclassification
8. Impairment
9. Disclosure

U. ANALYSIS AND INTERPRETATION OF FINANCIAL STATEMENTS.

1. Meaning, purpose/ need for and techniques of computation and interpretation of ratios
2. Computation and interpretation of profitability, liquidity, growth, assets, gearing, activity and investment ratios
3. Advantages and disadvantages/ limitations of ratios

V. INTERNATIONAL FINANCIAL REPORTING STANDARD (IFRS) 3, BUSINESS COMBINATIONS

1. Objective and scope of the Standard
2. Exceptions to the Standard
3. Basic principles of the Standard

4. Preparation of group financial statements (simple structure)
 - (a) Consolidated statement of profit or loss and other comprehensive income
 - (b) Consolidated statement of financial position
 - (c) Consolidated statement of cash flow
5. Measurement principles relating to fair values of the consideration and net assets acquired
6. Disclosures

W. INTERNATIONAL FINANCIAL REPORTING STANDARD (IFRS) 10, CONSOLIDATED FINANCIAL STATEMENTS

1. Objective and scope of the Standard
2. Exceptions to the Standard
3. Key concepts of the Standard
4. Accounting treatment:
 - (a) Consolidation procedure
 - (i) Treatment of non-controlling interests
 - (ii) Combination of like items of assets, liabilities, incomes and expenses
 - (iii) Elimination of carrying amounts of the parent investments in subsidiary
 - (iv) Elimination, in full, of intergroup assets and liabilities, equity and other intergroup transactions
 - (v) Loss of control
 - (b) Use of uniform accounting policies for similar transactions and necessary adjustments to conform to group accounting policies
 - (c) Disclosures

X. LIQUIDATION AND RECEIVERSHIP

1. Meaning of liquidation, receivership
2. Circumstances under which an entity may be liquidated voluntarily or involuntarily
3. Process of liquidation and receivership
4. Transactions and preparation of financial statements:
 - (a) Receiver: Preparation of the receiver's account

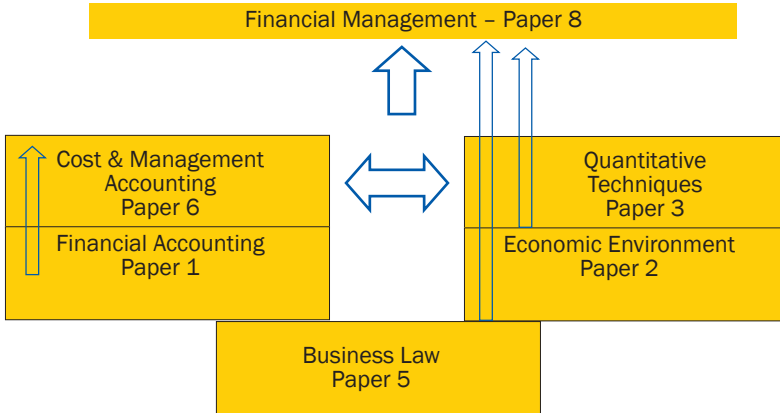
- (b) Liquidation:
- (i) Statement of net assets in liquidation
 - (ii) Statement of changes in net assets in liquidation
 - (iii) Statement of affairs
 - (iv) Liquidator's final statement of account

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1. ICPAU, 2022. Financial Reporting, Kampala.
2. Eliot B. & Eliot J., 2019. Financial Accounting & Reporting, 19th ed, London: Pearson Education Limited.
3. Fraser & Ormiston , 2016. Understanding Financial Statements, 11th ed, London: Pearson Education Limited.
4. Greuning H.V., Darrel S. and Terblanche S., 2011. International Financial Reporting Standards - A practical guide, 6th ed, World Bank Publications.
5. International Financial Reporting Standard Foundation, current edition. International Financial Reporting Standards, London: International Accounting Standards Board.
6. King Committee on Corporate Governance, 2016. King IV Report on Corporate Governance, Johannesburg, South Africa: King Committee.
7. Melville A., 2019. International Financial Reporting-A Practical Guide, 7th ed, London: Pearson Education Limited.

FINANCIAL MANAGEMENT

SYLLABUS CHART



OVERALL AIM

To equip the learner apply principles of financial management in making and assessing financial decisions

LEARNING OUTCOMES

On completion of this course, the learner should be able to:

	Learning outcomes	K	C	A	An	S	E
1.	Explain the finance function and the environment within which it operates		✓				
2.	Explain the roles of financial management		✓				
3.	Explain the major theoretical concepts and tools of finance		✓				
4.	Apply capital investment appraisal techniques			✓			
5.	Demonstrate understanding of the operations of financial and securities markets			✓			
6.	Apply basic concepts of Islamic finance			✓			
7.	Compute an entity's cost of capital and demonstrate its relevance to decision making		✓				
8.	Explain the nature and scope of working capital management		✓				
9.	Compute investment returns from competing projects and make recommendations			✓			
10.	Perform financial analysis				✓		
11.	Discuss the ethical challenges facing finance managers and suggest ways of mitigating them				✓		
12.	Explain economic and regulatory environment for business decision				✓		

LEVEL OF ASSESSMENT

The examination will test knowledge, comprehension, application and analytical skills in financial management

EXAMINATION STRUCTURE

There will be a three-hour examination made up of sections A and B. Section A will comprise one compulsory question of 40 marks and Section B will comprise four questions of 20 marks each, of which the candidate will be required to attempt any three

DETAILED SYLLABUS

A. INTRODUCTION

1. The nature, role and importance of financial management

B. THE FINANCE FUNCTION AND ENVIRONMENT

1. The finance function in an organisation
 - (a) Role of finance and the finance function
 - (b) Relationship between finance and other departments
 - (c) Role of financial controller/ manager
 - (d) The treasury function; functions of the treasurer
 - (e) Centralised and decentralised treasury management
 - (f) Treasury as a profit and cost centre
2. The internal and external environmental factors and the finance function

C. ESSENTIAL CONCEPTS AND TOOLS OF FINANCE

1. Concept of risk and return
2. Meaning of simple interest, compound interest, discounting factor
3. Interest rates: Importance; types
4. Term structure of interest rates and the yield curve
5. Determinants of interest rates
6. Time value of money
7. Future values and present values of a single cash flow
8. Perpetuities and annuities and their valuation
9. The fundamental theory of valuation
10. Shares and bonds (securities): Features; valuation

D. CAPITAL INVESTMENT APPRAISAL

1. Importance of capital investment appraisal
2. Types of investment decisions
 - (a) Expansion of existing business
 - (b) Establishment of new business
 - (c) Replacement and modernisation
 - (d) Asset acquisition, disposal, replacement
3. Asset acquisition decisions under limiting factors
4. Criteria for making investment decisions
5. Investment appraisal using:
 - (a) Payback period
 - (b) Net present value
 - (c) Internal rate of return
 - (d) Accounting rate of return
 - (e) Profitability index
 - (f) Equivalent annual benefit
 - (g) Equivalent annual cost
 - (h) Present value of net cost
 - (i) Discounted payback method
6. Impact of tax and working capital
7. Merits and demerits of each investment appraisal method

E. FINANCIAL MARKETS

1. Meaning
2. Types:
 - (a) Primary and secondary
 - (b) Money and capital
3. Major players in the financial markets in Uganda
4. Nature and role of financial markets in a developing economy
5. Banks and their role in the financial system including their services such as bancassurance, agency banking, development financing, agricultural credit finance
6. Purpose and operations of securities exchanges

7. Listing and cross-listing on securities exchanges
8. Instruments traded on the securities exchange
9. Management and regulation of the securities exchange in Uganda:-
 - (a) Capital Markets Authority Act, 1996
 - (b) Uganda Securities Exchange Statute, 1998
10. Conditions for listing on the securities exchange
11. Role and challenges facing the Uganda Securities Exchange
12. Automated securities exchanges: Automated trading system (ATS); central depository system (CDS).
13. Block chain financing: Advantages, risks, challenges
14. Financial services offered by insurance companies
15. Market efficiency:
 - (a) Meaning
 - (b) Forms
 - (c) Empirical evidence; capital market efficiency
 - (d) Technical analysis, random walk, fundamental analysis
 - (e) Market efficiency hypothesis: Meaning, assumptions, implications

F. ISLAMIC FINANCING

1. Origin and history of Islamic finance
2. Justification for Islamic finance; Halal versus Haram
3. Islamic tradition on which Islamic financing is based
4. Characteristics of an Islamic financial system
5. Islamic versus conventional modes of finance
 - (a) Contracts and products used
 - (b) Relationship between user and supplier of funds
6. Components of Islamic finance:
 - (a) Islamic banking
 - (b) Islamic insurance entities (Takaful)
 - (c) Islamic microfinance entities
 - (d) Islamic pension funds
 - (e) Islamic capital markets; debt finance (Sukuk)

7. Principles of Islamic finance
 - (a) Payment and receipt of interest (Riba)
 - (b) Debtor in hardship
 - (c) Mutuality of risk sharing-profit and loss
 - (d) Investment in unlawful sectors/ businesses
 - (e) Uncertainty (Gharar)
 - (f) Gambling (Maisir)
 - (g) Requirement for an underlying asset
 - (h) Contract documentation
 - (i) Rights and liabilities of banks and customers
8. The concept of time value of money
9. Objectives of Sharia in financial transactions
10. Modes of Islamic finance:
 - (a) Equity partnership finance; Profit and loss sharing
 - (i) Musharakah (partnership)
 - (ii) Musharakah mutanaqisah (diminishing partnership)
 - (iii) Mudharabah (equity finance)
 - (b) Lease based finance (Ijarah)
 - (i) Ijarah thumma al bai' (hire purchase)
 - (ii) Ijarah muntahia bitamleek (finance lease)
 - (c) Murabahah (cost-plus financing)
 - (d) Tawarruq (spot payment)
 - (e) Wakala (agency)
 - (f) Istisna'a (contract for acquisition of goods)
 - (g) Qard Al Hassan

G. WORKING CAPITAL MANAGEMENT

1. Meaning of working capital and working capital management
2. Importance of working capital and working capital management
3. Elements of working capital
4. Determination of working capital needs
5. Cash flows versus profits
6. Computation and interpretation of working capital ratios

7. Overtrading: Meaning and symptoms
8. Overcapitalisation: Meaning and warning signs
9. Inventory management
 - (a) Inventory costs:
 - (i) Stock out costs
 - (ii) Holding costs
 - (iii) Procurement costs
 - (iv) Purchase cost
 - (b) Economic order quantity (EOQ) model; determination of EOQ under conditions of certain and uncertain demand
 - (a) Meaning, merits and demerits of the following inventory control systems:
 - (i) Total quality management
 - (ii) Just-in-time
10. Cash flow planning
 - (a) Meaning and importance
 - (b) Importance of cash management
 - (c) Preparation and interpretation of cash budgets
 - (d) Reasons for holding cash and other liquid assets
 - (e) Models used to select optimum cash levels:
 - (i) Inventory approach
 - (ii) Miller - Orr model
 - (f) Determination of optimum level of cash using the inventory approach; drawbacks of the inventory approach of cash management
 - (g) Determination of optimal cash balances
 - (h) Management of cash surpluses and deficits
 - (i) Methods of cash remittance
11. Management of accounts receivable:
 - (a) Factors to consider when setting credit control policy
 - (b) Assessment credit worthiness of customers
 - (c) Determination of bad debts of a business

- (d) Balancing of risks and costs of customer default against profitability
 - (e) Evaluation of credit policy
 - (f) Factoring and invoice discounting; Role in assisting the credit manager
 - (g) Customer credit rating and how it is carried out
 - (h) Letters of credit
 - (i) Credit cards
12. Working capital financing (Sources of short-term and medium-term finance):
- (a) Factoring
 - (b) Invoice discounting
 - (c) Commercial paper
 - (d) Bank finance
 - (e) Trade credit and the risks associated with trading on credit.
 - (f) Hire purchase
 - (g) Leasing
 - (h) Bills of exchange
 - (i) Purchase order financing/ contract financing

H. INTERNATIONAL TRADE AND FINANCE

1. Forms of international trade
2. Key developments in the international environment
3. Development of domestic and international banking
4. International regulatory environment
5. International money markets/ euro markets
6. Bonds and equity markets:
 - (a) Types of bonds and equity markets
 - (b) Role of international capital flows
 - (c) Origin and growth of euro markets
7. Developed versus emerging markets
8. International capital markets
9. Risks of international trade and finance (No computations required)
10. International payments and settlements

11. International export, finance and counter-trade

I. FINANCIAL ANALYSIS AND CONTROL

1. Concept and role of financial analysis in corporate finance

2. Merits and demerits of the following methods of financial analysis:

(a) Ratio analysis:

(i) Determination of liquidity, debt, coverage, profitability and market value ratios

(ii) Use of different ratios in financial analysis

(iii) Measurement of achievement of stakeholder objectives using financial ratios

(iv) Computation, interpretation, uses and limitations of ratios:

1. Determination and interpretation of various ratios used in financial analysis, including trend analysis and industry comparison

2. Limitations of ratio analysis in decision making

(b) Common size statements and index analysis

(c) Projected financial statements and their preparation

J. SOURCES OF LONG-TERM FINANCE AND COST OF CAPITAL

1. Long-term financing decisions

(a) Risk-return relationship and relative costs of equity and debt financing

(b) Creditor hierarchy and its:

(i) Relationship with costs of various sources of finance

(ii) Importance in financing decisions

2. Sources of finance for small and medium-sized entities (SMEs)

3. Advantages and disadvantages of different sources of finance

4. Equity finance

(a) Methods of raising

(b) Other considerations when raising equity finance

(c) Estimating the theoretical ex-rights price

5. Share capital and long-term debt:

(a) Forms of equity and debt finance

(b) Merits and demerits of using debt or equity financing

6. Other sources of long-term finance; how they can be obtained, and their relative merits and demerits:
 - (a) Leasing
 - (b) Options
 - (c) Warrants
 - (d) Convertibles
7. Cost of capital and its relevance in investment management
 - (a) Estimation of cost of equity and cost of debt:
 - (i) Use of dividend growth model in the determination of cost of equity and its limitations
 - (ii) Determination of cost of debt including preference shares, redeemable, irredeemable, and convertible debt
 - (iii) Impact of tax shield on cost of debt
 - (b) Weighted average cost of capital (WACC):
 - (i) Average and marginal cost of capital
 - (ii) Determination of WACC using book value and market value weightings

K. CORPORATE RESTRUCTURING

1. Nature and role of corporate restructuring
2. Financial distress:
 - (a) Meaning
 - (b) Causes
 - (c) Prediction
 - (d) Management (Z Altman formula)
3. Business restructuring:
 - (a) Provisions of the Insolvency Act 2011 and Insolvency Regulations
 - (b) Provisional administration
 - (c) Receiverships
 - (d) Court winding up
4. Corporate failure: Causes, symptoms, avoidance

5. Business valuation for mergers and acquisitions:
 - (a) Reasons for valuing business and financial assets
 - (b) Advantages and limitations of the following methods of valuation:
 - (i) Net asset valuation
 - (ii) Dividend valuation
 - (iii) Market capitalisation
 - (c) Income based models:
 - (i) Price-earnings ratio
 - (ii) Earnings yield
 - (iii) Discounted cash flows
 - (d) Methods of valuing:
 - (i) Redeemable and irredeemable debt
 - (ii) Preference shares
 - (iii) Bonds
 - (e) Free cash flow valuation technique

L. SOCIAL RESPONSIBILITY AND ETHICS

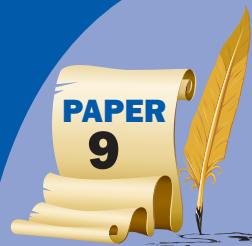
1. Conflict of interest
2. Objectivity
3. Accuracy
4. Transparency
5. Integrity
6. Money Laundering
7. Insider dealing
8. Environmental management.
9. Provisions of the following:
 - (a) Financial Regulations
 - (b) Financial Intelligence Authority
 - (c) Anti-money Laundering Act
 - (d) Market regulations and restrictive practices
 - (e) Deregulations and privatisation

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AUDITING, ETHICS & ASSURANCE

SYLLABUS CHART



Audit Practice & Assurance - Paper 16



Auditing, Ethics & Assurance – Paper 9

OVERALL AIM

To equip the learner with knowledge of audit planning, execution and finalisation of audit and assurance assignments as well as insights into professional ethics, values and attitudes.

LEARNING OUTCOMES

On completion of this course, the learner should be able to:-

	Learning outcomes	K	C	A	An	S	E
1.	Explain the need for and nature of auditing	✓					
2.	Analyse the legal, regulatory and ethical environment within which audits are performed				✓		
3.	Explain how audit work is documented		✓				
4.	Explain how audit evidence is gathered and analysed	✓			✓		
5.	Describe the design and tests of internal controls		✓				
6.	Identify appropriate audit tests to be included in an audit programme	✓					
7.	Discuss the risks of auditing in an IT environment		✓				
8.	Explain the elements of an audit report		✓				
9.	Explain the role of internal auditing	✓					
10.	Explain how consideration of subsequent events and the going concern principle can impact the conclusions from the audit work		✓				
11.	Apply the tenets of the Code of Ethics for accountants			✓			
12.	Explain the application of workplace ethics		✓				
13.	Discuss the need for corporate social responsibility		✓				
14.	Analyse issues in corporate governance				✓		

LEVEL OF ASSESSMENT

The examination will test knowledge, application and analysis of the principles acquired in auditing and professional ethics and values

EXAMINATION STRUCTURE

There will be a three-hour examination made up sections A and B. Section A will comprise two compulsory questions of 20 marks each. Section B will comprise four questions of 20 marks each of which the candidate will be required to attempt any three

DETAILED SYLLABUS

I AUDITING

A. INTRODUCTION

1. Auditing:
 - (a) Meaning
 - (b) Purpose/ objectives
 - (c) Features of auditing
 - (d) Auditing versus accounting
 - (e) Auditing versus investigations
 - (f) The information gap and stewardship:
 - (i) The concepts of accountability, stewardship and agency
 - (ii) Responsibility over the financial statements of an entity
 - (iii) Users of information in financial statements
 - (g) Auditing postulates
 - (h) Auditing concepts:
 - (i) Auditor's independence; need for auditor independence
 - (ii) True and fair view
 - (iii) Disclosure of accounting policies
 - (iv) Errors & fraud and the related risks
 - (i) Qualities of an auditor
 - (j) Types of audits:
 - (i) External & internal audits
 - (ii) Statutory & Non statutory audits

- (iii) Financial audits; Operational audits; strategic audits; IT audits
 - (k) Advantages and inherent limitations of an audit
- B. LEGAL, REGULATORY AND ETHICAL ENVIRONMENT**
1. Regulation of professional accountants
 - (a) Role and responsibility of the Institute of Certified Public Accountants of Uganda (ICPAU)
 - (b) Rules & regulations governing accountants in practice
 2. Appointment, rights and duties of company auditors:
 - (a) Qualification for appointment
 - (b) Ways of appointment
 - (c) Rights and duties of an auditor; regulations governing the rights and duties of auditors
 3. Resignation and dismissal of auditors:
 - (a) Circumstances that may lead to resignation
 - (b) Statutory regulations governing the rotation, removal and resignation
 4. Auditing standards and guidelines:
 - (a) The regulatory environment within which statutory audits take place
 - (b) Importance, authority, applicability of International Standards on Auditing (ISAs)
 - (c) Importance of auditing guidelines issued by ICPAU
 - (d) The auditing standards setting process by the International Auditing and Assurance Standards Board (IAASB)
 5. Ethical requirements:
 - (a) Professional ethics:
 - (i) The fundamental principles of professional ethics (integrity, objectivity, professional competence and due care, confidentiality, professional behaviour)
 - (ii) Threats to the fundamental principles; safeguards against the threats
 - (iii) Importance of fundamental ethical principles
 - (b) ICPAU Code of Ethics
 - (c) Auditors' responsibility with regard to independence, conflict of interest, confidentiality

6. Auditor's liability:
 - (a) Liability:
 - (i) That may arise due to negligence
 - (ii) Under private and statutory audits
 - (iii) Criminal liability under the Companies Act
 - (b) Minimisation of liability
 - (c) Reference to decided cases
 - (d) Audit failure: Causes and effects
7. Requirements of The Accountants Act, 2013, The Companies Act, 2012

C. PRINCIPLES, PROCEDURES AND CONDUCT OF AN AUDIT

1. Audit engagement:
 - (a) Objectives of an independent auditor and the conduct of an audit in accordance with ISAs
 - (b) Agreeing the terms of audit engagement
 - (c) Quality management for an audit of financial statements
 - (d) Auditor's responsibility related to fraud in an audit of the financial statements.
 - (e) Consideration of Laws and regulation in the audit of the financial statements
 - (f) Communication to those charged with governance
2. Planning and risk assessment
 - (a) Audit planning:
 - (i) Need for audit planning
 - (ii) Factors to be considered in audit planning
 - (iii) The planning process
 - (iv) Contents of the overall audit strategy and audit plan
 - (v) Relationship between overall audit strategy and audit plan
 - (vi) Development and documentation of an audit plan
 - (b) Professional judgment and materiality:
 - (i) Importance of professional skepticism
 - (ii) Role of professional judgement
 - (iii) Identification of potential misstatements

- (iv) Materiality
- (c) Risk assessment:
 - (i) Audit risk
 - (ii) Audit risks at the financial statement and assertion levels
 - (iii) Business risks
 - (iv) Auditor's response to identified risks
 - (v) Determination of materiality levels from financial information
 - (vi) Identification and assessment of risk of material misstatements
 - (vii) Assessment of risks due to fraud
 - (viii) Effect of fraud and material misstatements on audit strategy and work to be done
- (d) Understanding the entity and its environment:
 - (i) Ways of understanding the entity and its environment in line with ISA 315
 - (ii) Interim auditing: Purpose, procedures, effect on the final audit
- (e) Audit documentation:
 - (i) Nature and purpose
 - (ii) Form and extent
 - (iii) Contents of working papers and supporting documents
 - (iv) Safety and retention of working papers and other audit documents
 - (v) Current and permanent audit files

D. INTERNAL CONTROL

1. Internal control systems:
 - (a) Elements of an internal control system
 - (b) Management's responsibility in designing and implementing internal controls
 - (c) Control objectives
 - (d) Techniques of evaluating internal control system
 - (e) Internal control over:
 - (i) Sales revenue/ accounts receivable
 - (ii) Purchases/ accounts payable
 - (iii) Inventory

- (iv) Operating expenditure
 - (v) Payroll
 - (vi) Cash and bank
 - (vii) Property, plant and equipment
2. Impact of test of controls on the audit strategy: Modification of audit strategy and plan following the results of tests of control
 3. Compliance tests:
 - (a) Difference between tests of control and substantive procedures
 - (b) Importance of internal controls to auditors
 - (c) Tests of control suitable for inclusion in audit working papers
 - (d) Weaknesses in internal control system: Identification, limitation of extent of reliance on internal controls by the auditor
 4. Communication of deficiencies in the internal control to those charged with governance & management

E. AUDIT EXECUTION

1. Audit sampling:
 - (a) Designing an audit sample
 - (b) Sample size, selection of items for sampling, statistical and non-statistical approaches to sampling
 - (c) Circumstances when audit sampling is not appropriate
 - (d) Sampling risk
2. Audit evidence:
 - (a) Types
 - (b) Sources
 - (c) Purpose; type of audit program; advantages and disadvantages of audit programs
 - (d) Techniques of obtaining audit evidence
 - (e) Sufficiency and appropriateness of audit evidence
 - (f) Reliability
 - (g) Limitations on the quality and quantity of audit evidence
 - (h) Consistency of audit evidence:
 - (i) Meaning and usefulness of consistency
 - (ii) Need for consistency of audit evidence

- (iii) Procedures used in obtaining consistent audit evidence
- 3. Analytical procedures:
 - (a) Meaning
 - (b) Types of analytical procedures
 - (c) Usefulness of substantive analytical procedures
 - (d) Investigation of results of analytical procedures
- 4. External confirmations:
 - (a) Importance of external confirmation procedures
 - (b) Performance of external confirmations
 - (c) Evaluation of external confirmations
- 5. Initial audit engagements- opening balance testing
- 6. Auditing accounting estimates & related disclosures
- 7. Related parties
- 8. Using the work of others
 - (a) Audit of group financial statements
 - (b) Work of internal auditors
 - (c) Work of auditor's expert
- 9. Statement of profit or loss and other comprehensive income audit:
 - (a) Audit Assertions: Occurrence, completeness, accuracy, cut-off, classification, presentation and disclosure
 - (b) Matters relating to revenue and expense recognition:
 - (i) Materiality
 - (ii) Risk
 - (iii) Relevant accounting standards
 - (iv) Audit evidence
 - (c) Audit evidence in respect of the audit of income statement items
- 10. Balance sheet/ statement of financial position audit:
 - (a) Assertions: Existence, rights and obligations, completeness, valuation and allocation, presentation and disclosure
 - (b) Identification of balance sheet items and the respective implications in an audit report
 - (c) Factors in the timing of the audit of each item in a balance sheet
 - (d) Audit evidence in respect of the audit of balance sheet items

11. Audit opinion on financial statements: The independent auditor's report on a complete set of general-purpose financial statements:
 - (a) Key definitions
 - (b) Use of audit evidence to form an opinion
 - (c) Types of audit opinions
 - (d) Circumstances when a modification to the auditor's opinion is required
 - (e) Format of unqualified audit opinion
 - (f) Form and content of the auditor's report when the opinion is modified

F. AUDIT FINALISATION/ COMPLETION AND REVIEW

1. Review of audit files and evaluation of misstatements
2. Events after the reporting period
3. Going concern review
4. Review of management representations
5. Final analytical review

G. AUDITING IN AN INFORMATION TECHNOLOGY (IT) ENVIRONMENT

1. Application controls and general IT controls
2. Use of computer-assisted audit techniques
3. Risks and challenges of auditing in an IT environment

H. PUBLIC SECTOR AUDITING

1. Framework of public sector audits
2. Objective and scope of public sector audits
3. Categories of public sector audits (compliance, performance, financial)
4. Audit report of the Auditor General
5. Role of internal audit function in public sector entities
6. Relationship between external and internal audits in the public sector
7. International Standards of Supreme Audit Institutions

I. INTERNAL AUDIT

1. Role of internal audit:
 - (a) Scope and limitations
 - (b) Role of an internal auditor in the management of an organisation
 - (c) Introduction to International Professional Practices Framework in internal auditing

2. Similarities and differences between external and internal audit:
 - (a) Responsibilities in the detection and prevention of fraud and error
 - (b) Roles regarding planning and collection of audit evidence
 - (c) Internal and external auditors' reports
3. Advantages and disadvantages of outsourcing the internal audit function

J. ASSURANCE AND NON-ASSURANCE ENGAGEMENTS

1. Assurance engagements
 - (a) Definition
 - (b) Objectives of an assurance engagement
2. Classification of assurance engagements
 - (a) Reasonable assurance or Limited assurance
 - (b) Attestation engagement or direct engagement
3. Review of Historical information
 - (a) Review of historical financial statements
 - (b) Review of interim financial information
4. Other assurance engagements
 - (a) Examination of prospective financial information
 - (b) Reports on compilation of pro forma financial information included in a prospectus
 - (c) Reports on the controls at service Organisations
 - (d) Greenhouse statements
5. Related services
 - (a) Perform agreed upon procedures
 - (b) Compilation engagement
 - (c) Internal audit
 - (d) Valuation services

II PROFESSIONAL ETHICS AND VALUES

A. INTRODUCTION

1. Meaning of 'ethics'; 'values'
2. Nature of ethics
3. Philosophical approaches to ethics
4. Professional approaches to ethics

5. Ethical objectives of an organisation
6. Ethical objectives of the accountancy profession

B. WORKPLACE ETHICS

1. Meaning of work place ethics
2. Factors that influence ethical behaviour at workplaces:
 - (a) Individual standards and values
 - (b) Managers' and co-workers' influences
 - (c) Codes of ethics and compliance requirements
 - (d) Discrimination
 - (e) Harassment
 - (f) Importance and management of ethical behaviour at the workplace

C. BUSINESS ETHICS

1. Ethical principles in business
2. Nature and purpose of ethics and morals for organisational interests
3. Sources of ethical standards in business:
 - (a) Utilitarian approach
 - (b) Rights/ deontological approach
 - (c) Fairness of justice approach
 - (d) Common good approach
 - (e) Virtue approach
4. Business ethical issues
5. Corporate policy and functional area ethics
6. Corporate codes of ethics
7. Ethical dilemmas in business:
 - (a) Business relationships
 - (b) Conflicts of interest
 - (c) Fairness and honesty
 - (d) Communication
 - (e) Competition
8. Benefits of adhering to business ethics

D. ENVIRONMENTAL ETHICS

1. Concept of sustainable development
2. Pollution and resource depletion

3. Interrelationships and interdependence of ecological systems
4. Eco-friendly business practices

E. PUBLIC INTEREST

1. Meaning of public interest
2. Composition of the public
3. Costs and benefits of public interest
4. Decisions or actions taken in the public interest
5. Application of public interest policy to cultural and ethical diversity
6. Corporate social responsibility (CSR):
 - (a) Understanding CSR
 - (b) Need for CSR
 - (c) Key developments in CSR
 - (d) CSR mechanisms
 - (e) Benefits of CSR

F. ACCOUNTANTS IN PUBLIC PRACTICE

1. Meaning of an accountant
2. Accountant in public practice, business and industry, public sector
3. Professional image
4. Ways of obtaining work by accountants in public practice
5. Potential ethical issues and possible safeguards

G. CORPORATE GOVERNANCE

1. Concept and scope of corporate governance
2. History and role of corporate governance in Uganda
3. Principles of corporate governance/ good governance:
 - (a) Fairness
 - (b) Transparency
 - (c) Independence
 - (d) Honesty
 - (e) Responsibility
 - (f) Accountability
 - (g) Reputation
 - (h) Judgment
 - (i) Integrity

- (j) Participation
 - (k) Responsiveness
 - (l) Rule of law
 - (m) Consensus orientation
 - (n) Equity and inclusiveness
4. Corporate governance codes of best practice and regulations:
 - (a) The Code of Corporate Governance in the Companies Act, 2012
 - (b) Institute of Corporate Governance of Uganda guidelines
 - (c) The Organisation for Economic Co-operation and Development (OECD) principles of corporate governance
 5. Board independence and the role of board committees
 6. Role of the following in corporate governance:
 - (a) Board of directors: Chairman; executive directors; non-executive directors
 - (b) Chief executive officer
 - (c) Corporation secretary
 - (d) Accountant
 7. Good governance in public sector

H. FRAUD AND MONEY LAUNDERING

1. Meaning and types of fraud
2. Difference between fraud and error
3. Fraud prevention programmes/ mechanisms
4. Money laundering:
 - (a) Meaning
 - (b) Process
 - (c) Techniques
 - (d) Effects
 - (e) Offences and penalties
 - (f) Detection
 - (g) Prevention
5. Consequences of unethical behaviour to individuals, accountancy profession and the public
6. Effects of cyber-attacks and crypto currencies

I. WHISTLE BLOWING

1. Meaning of whistle blowing
2. Procedures for disclosure of unethical behaviour in public interest:
 - (a) Oral reports
 - (b) Use of information communication technology
 - (c) Reduction of disclosure into writing
3. Process of reporting unethical conduct:
 - (a) Impropriety
 - (b) Persons qualified to make disclosures
 - (c) Persons to whom or institutions to which disclosure maybe made
 - (d) Compulsory receipt of disclosures
4. Process of investigation of impropriety
5. Mechanisms of protecting a whistleblower:
 - (a) Protection from victimisation
 - (b) Protection against court action
 - (c) State protection
 - (d) Application to court for assistance
 - (e) Void employment contracts
6. Offences and penalties relating to whistle blowing

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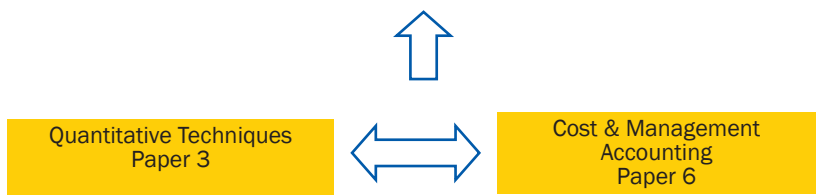
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MANAGEMENT DECISION AND CONTROL

SYLLABUS CHART



Management Decision & Control – Paper 10



OVERALL AIM

To equip the learner with knowledge and skills to analyse financial and non-financial information to support management decisions and provide advice in different situations

LEARNING OUTCOMES

On completion of this course, learners should be able to:

	Learning outcomes	K	C	A	An	S	E
1.	Discuss the role of a management accountant in an organisation		✓				
2.	Provide advice in different management decision making situations			✓			
3.	Develop organisational budgets using appropriate techniques			✓			
4.	Apply quantitative models to managerial decision problems			✓			
5.	Apply accounting control techniques to managerial decisions			✓			
6.	Evaluate performance of business segments						✓
7.	Apply advanced management accounting techniques			✓			

LEVEL OF ASSESSMENT

The examination will test the ability of the learner to interpret, analyse, evaluate and apply the knowledge and skills acquired to real life situations

EXAMINATIONS STRUCTURE

There will be a three-hour examination made up of sections A and B. Section A will comprise one compulsory question of 40 marks. Section B will comprise four questions of 20 marks each, of which the candidate will be required to attempt any three

DETAILED SYLLABUS

A. MANAGEMENT INFORMATION AND COMMUNICATION

- (a) Meaning, sources and attributes of information
- (b) Communication of information
- (c) Value of information
- (d) Measurement theory

B. NATURE AND ROLE OF MANAGEMENT ACCOUNTING

- (a) Meaning of management accounting
- (b) Role of management accounting in the decision making process
- (c) Behavioural, organisational and social aspects of management accounting
- (d) Ethical responsibilities of a management accountant

C. RELEVANT COSTS/REVENUE AND DECISION MAKING

- 1. Introduction:
 - (a) Relevant and irrelevant costs/revenue
 - (b) Factors to consider in determining relevant costs and revenue
 - (c) Importance of qualitative factors in decision making
- 2. Decision making process
 - (a) The decision making model
 - (b) Decision making as a planning and control process
 - (c) Decision making environment: Certainty, risk, fundamental uncertainty, competition
- 3. Relevant costs of materials and labour
- 4. Application of relevant cost analysis to decision making:
 - (a) Special pricing decisions (short and long-term)
 - (b) Limiting factor analysis
 - (c) Outsourcing decisions; make or buy analysis

- (d) Discontinuation decisions

D. COST-VOLUME-PROFIT (CVP) ANALYSIS

1. Introduction:
 - (a) The economist's CVP model
 - (b) The accountant's CVP model
 - (c) Assumptions and limitations of CVP
2. Application of CVP model:
 - (a) Computation of: Contribution, net profit, profit volume ratio, breakeven point,
 - (b) Margin of safety
 - (c) Breakeven charts
 - (d) Application of CVP model to non-manufacturing decisions

E. COSTING SYSTEMS

1. Activity-based costing (ABC):
 - (a) Introduction:
 - (i) The emergence of ABC
 - (ii) Limitations of traditional costing systems
 - (iii) Comparison of traditional and ABC systems
 - (b) Designing an ABC system:
 - (i) Stages involved
 - (ii) Factors to be considered
 - (iii) Classification of activities
 - (iv) Selection of cost drivers
 - (v) ABC and decision relevant costs
 - (c) Application of ABC:
 - (i) To profitability analysis
 - (ii) In service organisations
2. Target costing:
 - (a) Meaning
 - (b) Process
 - (c) Features of successful target costing implementation
 - (d) Teardown analysis/ reverse engineering

- (e) Value chain engineering/ analysis
 - (f) Application of target costing
3. Other costing techniques: Life cycle, Kaizen, back flush, throughput costing

F. PRICING DECISIONS AND PROFITABILITY ANALYSIS

1. Cost-plus pricing:
- (a) Methods of cost-plus pricing
 - (b) Target mark-up percentages
 - (c) Limitations of cost-plus pricing
 - (d) Reasons for using cost-based pricing
2. Pricing strategies:
- (a) Price skimming
 - (b) Penetration pricing
 - (c) Other pricing strategies including discrimination, differentiation, volume discounting, product bundling
3. Customer profitability analysis
- (a) Pareto analysis and customer profitability
 - (b) Profit maximisation and optimality: Price and output levels
4. Transfer pricing:
- (a) Purpose
 - (b) Methods
 - (c) Conflicts and their resolution
 - (d) Domestic and international transfer pricing

G. RISK AND UNCERTAINTY

1. Meaning of risk and uncertainty
2. Probability and expected value:
- (a) Meaning of probability and probability distribution
 - (b) Objective and subjective probabilities
 - (c) Expected value of a probability distribution
 - (d) Degree of uncertainty
 - (e) Attitudes to risk

3. Decision tree analysis:
 - (a) Application
 - (b) Determination of possible outcomes and payoffs
4. Pricing decisions and CVP analysis
 - (a) Cost of information for pricing decisions.
 - (b) Use of probability theory in decision making
 - (c) CVP analysis under conditions of uncertainty
5. Decision making under:
 - (a) Perfect and imperfect information
 - (b) Conditions of uncertainty: Maximin, maximax and minimax (regret) criteria
6. Risk reduction and diversification

H. MANAGEMENT CONTROL SYSTEMS

1. Introduction:
 - (a) Controls at different organisational levels
 - (b) Types of controls: Cultural, planning, cybernetic, reward and compensation, administrative
 - (c) Feedback and feed forward controls
 - (d) Advantages and disadvantages of different types of control
2. Responsibility centres for:
 - (a) Cost/ expense
 - (b) Revenue
 - (c) Profit
 - (d) Investment
3. The nature of management accounting control systems:
 - (a) The controllability principle
 - (b) Dealing with uncontrollable factors before and after the measurement period
4. Setting financial performance targets:
 - (a) Approaches to financial performance target setting: Engineering targets, historical targets, negotiated targets
 - (b) Importance of setting high targets
 - (c) Participation in the budgeting and target setting process

- (d) Side effects of using accounting information on performance evaluation

I. BUDGETING AND BUDGETARY CONTROL

1. The role of budgeting in an organisation; conflicting roles of budgets
2. The budgeting process:
 - (a) The role of the budget manual
 - (b) The budget period
 - (c) Administration of budgets
 - (d) Stages in the budget process for an organisation
 - (e) The budget process in not-for-profit organisations
3. Budgets:
 - (a) Preparation and uses of various budgets:
 - (i) Sales budget
 - (ii) Departmental / functional budgets
 - (iii) Cash budget
 - (iv) Master budget
 - (b) Application of specialised software packages in budgeting
4. Approaches to budgeting:
 - (a) Activity-based budgeting
 - (b) Incremental budgeting
 - (c) Zero-based budgeting
 - (d) Beyond budgeting
 - (e) Flexible budgeting
5. The role of leverage in budgeting and budgetary control:
 - (a) Operating leverage
 - (b) Financial leverage
 - (c) Combined leverage

J. STANDARD COSTING AND VARIANCE ANALYSIS

1. Operation of a standard costing system
2. Objectives of standard costing
3. Variance analysis:
 - (a) Determination of variances

- (b) Reconciliation of budgeted and actual profits
- (c) Determination of costs under standard absorption costing
- (d) Mix and yield variances
- (e) Disposition of variances
- (f) Criticisms of standard costing and variance analysis

K. DIVISIONAL PERFORMANCE EVALUATION

1. Organisational structure and decentralisation
 - (a) Functional and divisional organisational structures
 - (b) Profit and investment centres
 - (c) Merits and demerits of decentralisation
 - (d) Prerequisites for successful decentralisation
2. Divisional performance measurement:
 - (a) Managerial performance
 - (b) Economic performance
 - (c) Alternative divisional profit
 - (d) Return on investment
 - (e) Residual income
 - (f) Economic value added
3. Other considerations:
 - (a) Assets to be included in an investment base
 - (b) Impact of inflation, depreciation and performance measurement on capital investment decisions
 - (c) Divisional cost of capital
 - (d) Dysfunctional consequences of short-term performance measures and how to address them
 - (e) Value-based management
4. Executive contracts and bonus plans:
 - (a) The role of bonus and incentive contracts
 - (b) Types of incentives
 - (c) Forms of incentives and compensation plans
 - (d) Evaluation of accounting-based incentive compensation schemes
 - (e) Bonus plans

L. COST ESTIMATION AND REGRESSION ANALYSIS

1. Cost functions
 - (a) Regression equation
 - (b) Use of past data to estimate cost functions
 - (c) Steps involved in estimating cost functions
2. Cost estimation methods and their application:
 - (a) Engineering method
 - (b) Inspection of accounts method
 - (c) Scatter graph method
 - (d) High-low method
 - (e) Least squares method
3. Test of reliability:
 - (a) The coefficient of determination
 - (b) Standard error of the estimate and coefficient
4. Application of learning curve and experience curve theories

M. PLANNING AND CONTROL OF INVENTORY

1. Introduction:
 - (a) Reasons for holding inventory
 - (b) Relevant costs for quantitative models under conditions of certainty
2. Economic order quantity (EOQ):
 - (a) Determination of EOQ by tabulation, graphical and formula methods
 - (b) Assumptions of EOQ
 - (c) Application of EOQ model
 - (d) Uncertainty and safety stocks
3. Application of ABC/ Pareto analysis to inventory control
4. Other considerations in inventory management
5. Material requirements planning
6. Just-in-time (JIT) purchasing
7. Other inventory management techniques

N. LINEAR PROGRAMMING

1. Uses of linear programming:
 - (a) Single and multiple resource constraints
 - (b) Uses of linear programming

2. Application of graphical and simplex methods to linear programming problems
3. Interpretation of solutions (including computer generated solutions):
 - (a) The final matrix
 - (b) Opportunity cost (shadow) price
 - (c) Substitution process when additional resources are obtained
4. Sensitivity analysis and ascertainment of the range over which opportunity cost applies for each constraint
5. Application of linear programming to capital rationing and budgeting
6. Practical problems in applying linear programming in real life situations

0. COST MANAGEMENT AND STRATEGIC MANAGEMENT ACCOUNTING

1. Introduction:
 - (a) Meaning and characteristics of strategic management accounting
 - (b) Importance of cost management
 - (c) Need for accurate cost measurement systems
2. Activity-based management (ABM):
 - (a) The ABM process
 - (b) The relationship between ABM and activity-based costing
 - (c) Advantages and disadvantages of ABM
3. Benchmarking:
 - (a) The benchmarking process
 - (b) Importance of benchmarking
 - (c) Difficulties in benchmarking
4. Business process re-engineering:
 - (a) Steps involved
 - (b) Advantages and criticisms
 - (c) Uses
5. Management audits: Objectives and importance
6. Value chain analysis:
 - (a) The structure of a value chain
 - (b) Activities of a value chain
 - (c) Value chain analysis and competitive advantage

- (d) Importance of value chain analysis
- 7. Just-in-time (JIT) philosophy:
 - (a) Operation of the JIT system
 - (b) Benefits of JIT
 - (c) Characteristics and limitations of JIT
 - (d) Effects of JIT in strategic management accounting
- 8. Total quality management (TQM):
 - (a) The TQM process
 - (b) Characteristics of TQM
 - (c) Costs of quality management
 - (d) Effects of TQM in strategic management accounting
- 9. Environmental cost management:
 - (a) The importance of environmental cost management
 - (b) Environmental costs incurred by organisations
- 10. Balanced scorecard:
 - (a) Application of balanced scorecard
 - (b) Advantages and limitations of using balanced scorecard
- 11. Impact of changing business environment on cost and strategic management accounting

P. CONTEMPORARY DEVELOPMENTS

- 1. Effect of the changing product life cycle on the performance of an organisation
- 2. Focus on customer satisfaction and new management approaches
- 3. Traditional manufacturing systems versus modern manufacturing systems (JIT & Optimum Production Technology) and their impact on performance of an organisation

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TAXATION

SYLLABUS CHART



Advanced Taxation – Paper 17



Taxation – Paper 11

OVERALL AIM

To equip the learner with knowledge of Uganda's tax system, covering computation of different taxes, preparation of tax returns and administration of tax

LEARNING OUTCOMES

On completion of this course, the learner should be able to:

	Learning outcomes	K	C	A	An	S	E
1.	Explain the objectives of taxation and factors that determine the country's taxable capacity		✓				
2.	Discuss forms of taxation in Uganda		✓				
3.	Describe the evolution of tax administration in Uganda		✓				
4.	Compute tax liability for an individual and corporate entity			✓			
5.	Advise on application of the tax system to an individual and corporate entity in Uganda				✓		
6.	Prepare tax returns and other correspondences for individuals and corporate entities			✓			
7.	Demonstrate an understanding of tax assessments			✓			
8.	Discuss ethical challenges encountered when handling taxation issues			✓			

LEVEL OF ASSESSMENT

The examination will test knowledge, comprehension and application of skills in the computation of different taxes, preparation of tax returns and other correspondences with tax authorities.

EXAMINATIONS STRUCTURE

There will be a three-hour examination made up sections A and B. Section A will comprise one compulsory question of 40 marks and section B will comprise four questions of 20 marks each, of which the candidate will be required to attempt any three

DETAILED SYLLABUS

A. INTRODUCTION TO TAX ADMINISTRATION IN UGANDA

1. History and background of tax
2. Evolution of tax administration in Uganda:
 - (a) Pre- Uganda Revenue Authority (URA) regime
 - (b) URA regime
 - (c) E-tax (Registration, filing, assessment, payment, electronic stamps, electronic fiscal receipting and invoicing systems)
3. Objectives of taxation
4. Principles (canons) of taxation
5. Tax incidence, impact of a tax, tax base
6. Characteristics of a good tax system
7. Tax shifting; factors that determine tax shifting

B. NATURE AND SCOPE OF TAXATION

1. Classifications of taxes:
 - (a) Progressive
 - (b) Proportional
 - (c) Regressive
2. Direct tax, indirect tax; advantages and disadvantages
3. Taxable capacity: Meaning; factors affecting taxable capacity
4. Tax compliance, tax evasion, tax avoidance
 - (a) Meaning
 - (b) Factors influencing tax compliance
5. Methods of tax accounting
6. Structure of Uganda's tax system and its implications

C. PRINCIPLES OF INCOME TAX

1. Meaning of: Income tax, chargeable income, gross income, exempt income

2. Exempt income and exempt organisations
3. Residence status:
 - (a) Resident: Individual, company, partnership, trust, retirement fund
 - (b) Short-term resident
 - (c) Non-resident person
4. Provisions of the Income Tax Act: allowable and disallowable deductions; taxable and exempt income; basis of assessments; capital allowances
5. Year of income, including normal, transitional and substituted year of income
6. Tax rates for: individuals, companies, partnerships, corporations, insurance business, clubs, societies, amateur sporting associations, retirement funds, trusts

D. TAXATION OF EMPLOYMENT INCOME

1. Meaning of employment; employment income
2. Sources of employment income
3. Taxable benefits and non-taxable benefits
4. Allowable deductions
5. Exempt employment income
6. Income from past employment
7. Computation of employment income and tax liability

E. TAXATION OF BUSINESS INCOME

1. Meaning of business; business income
2. Examples of business income
3. Characteristics of trade
4. Small business taxpayer: Meaning; implications, advantages and disadvantages of presumptive income tax
5. Determination of taxable business income:
 - (a) Allowable deductions
 - (b) Non-allowable deductions
 - (c) Capital deductions
 - (i) Qualifying capital expenditure; types of capital expenditure
 - (ii) Allowances: Industrial building allowance, initial allowance, wear and tear allowance, farm works allowance.

6. Computation of chargeable income and tax liability for:
 - (a) Individual
 - (b) Partnership and partners (excluding conversions)
 - (c) Company

F. TAXATION OF PROPERTY INCOME

1. Meaning, scope and determination of applicable tax
2. Dividends
3. Interest
4. Royalties
5. Rent
6. Natural resource payments
7. Gaming and sports betting
8. Any other payment derived by a person from the provision, use or exploitation of property.

G. TAXATION OF RENTAL INCOME

1. Meaning of rental income and rental tax
2. Tax treatment of rental income:
 - (a) Individuals: Allowable deductions; tax thresholds
 - (b) Corporate entities: Allowable deductions
 - (c) Computation of rental tax
 - (d) Distinction between the taxation of resident and non-resident persons with regard to rental income.

H. CAPITAL GAINS TAX

1. Meaning, scope of capital gains tax:
2. Business assets
3. Cost base of an asset
4. Disposal of an asset:
 - (a) Gain or loss on disposal
 - (b) Cost base of a non-arm's length disposal
 - (c) Part disposal of an asset
 - (d) Disposal by exchange
 - (e) Disposal by way of gift
 - (f) Deemed disposal

(g) Computation of capital gains tax on disposal

I. WITHHOLDING TAX

1. Meaning of withholding tax and the parties to this tax–designated withholding tax agents, government entities and non-designated taxpayers; withholding tax point
2. Payments subject to withholding tax
3. Withholding tax as a final tax; conditions and implications
4. Payment of withholding tax; penalties for non-compliance
5. Determination of withholding tax on various payments

J. ADMINISTRATION OF INCOME TAX

1. Registration and deregistration of taxpayers
2. Returns:
 - (a) Meaning of return of income and assessment
 - (b) Persons eligible to file a return of income
 - (c) Circumstances where a return of income is not required
 - (d) Due dates for filing a return of income: Final return, provisional return, estimated return and amended assessment
 - (e) Extension of time to file a return of income
3. Tax assessments:
 - (a) Self-assessment
 - (b) Additional assessment/ amended assessment
 - (c) Estimated assessment
 - (d) Default assessment
 - (e) Advance assessment
4. Due dates and payment of:
 - (a) Final tax
 - (b) Provisional tax
 - (c) Withholding tax
5. Tax decisions, objections and appeals
6. Penalties and offences
7. Collection, recovery and refund of taxes
8. Small business taxpayers: Computation of small taxpayer’s liability, return of gross income, election or option for income tax

K. VALUE ADDED TAX (VAT)

1. Meaning, advantages and disadvantages of VAT
2. Scope and administration of VAT:
 - (a) Taxable persons
 - (b) VAT registration and deregistration
 - (c) Taxable supplies of goods/ services, zero rated supplies, exempt supplies, mixed supplies
 - (d) Place of supply
 - (e) Rate of tax and tax period
 - (f) Returns and due dates
 - (g) Payments and due dates
3. Accounting for VAT:
 - (a) Time/ point of supply
 - (b) Valuation of supplies.
 - (c) Taxable value of imported goods and services
 - (d) Cash basis of accounting and invoice basis of accounting; advantages of cash accounting over invoice accounting
4. Tax invoices; credit notes; debit notes
5. Powers and duties of the Commissioner General
6. Rights and obligations of a registered taxpayer
7. Computation of input and output tax
8. VAT refund procedures
9. VAT objection and appeals
10. Offences and penalties

L. OTHER SOURCES OF GOVERNMENT REVENUE

1. Meaning and scope of non-tax revenue
2. Sources of non-tax revenue:
 - (a) Fines and penalties
 - (b) Stamp duty
 - (c) Licenses
 - (d) Lotteries
 - (e) Rates

- (f) Local service tax
- (g) Fees
- (h) Royalties

M. CUSTOMS MANAGEMENT PROCEDURES

1. Introduction
2. Movement of goods and people
3. Importation procedures:
 - (a) Arrival and reporting procedures for goods
 - (b) Arrival by international trains, vehicles and other means overland
 - (c) Re-export procedures
 - (d) Goods in transit
 - (e) Importation by post and courier; procedures for clearing post parcels:
 - (i) Examination procedures for parcels
 - (ii) Redirecting parcels
 - (iii) Warehousing of imports by post and couriers
4. Prohibited and restricted goods:
 - (a) Reasons for restriction of certain goods
 - (b) Reasons for imposing prohibitions
5. Unloading and removal of cargo:
 - (a) Entry, examination and delivery
 - (b) Removal of goods by sale in customs warehouse
 - (c) Passenger clearance
6. Customs warehouses
 - (a) Meaning
 - (b) Receipt/ delivery of goods
 - (c) Disposal of warehouse goods
7. Bonded warehouses
 - (a) Meaning
 - (b) Customs procedures for bonded warehouses:
 - (i) Receipt/ delivery of goods
 - (ii) Entry and control of goods prior to bonded warehouse

- (iii) Licensing of bonded warehouse
 - (iv) Goods not allowed in bonded warehouses
8. Exportation procedures:
 - (a) Customs procedures for exports
 - (b) Entry outwards of goods
 - (c) Export of bonded goods
 9. Smuggling:
 - (a) Meaning
 - (b) Forms
 - (c) Problems associated with smuggling
 - (d) Ways of preventing smuggling; treatment of offenders.
 10. Customs Union
 - (a) Meaning
 - (b) Benefits, challenges, opportunities created
 11. Common markets: Advantages, trade barriers
 12. Customs valuation and computation of duty

N. ETHICAL ISSUES

1. Ethical challenges that may be met when carrying out tax work
2. Importance of acting with integrity and consequences of tax avoidance

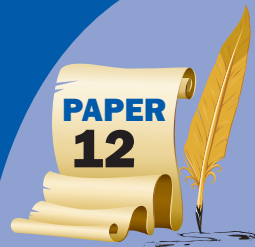
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 - (a) Income Tax Act, Cap 340
 - (b) Value Added Tax Act, Cap 349
 - (c) Excise Duty Act, 2018
 - (d) East African Customs Management Act
 - (e) The Tax Procedures Code Act
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LEVEL III

ADVANCED FINANCIAL REPORTING

SYLLABUS CHART



Advanced Financial Reporting-Paper 12



Financial Reporting-Paper 7



Financial Accounting- Paper 1

OVERALL AIM:

To equip the learner with knowledge and skills to apply all international financial reporting standards (IFRS) and relevant laws to financial reporting

LEARNING OUTCOMES

On completion of this course, the learner should be able to:

	Learning outcomes	K	C	A	An	S	E
1.	Apply the financial reporting framework			✓			
2.	Present a complete set of financial statements, including group financial statements, with complete disclosures			✓			
3.	Analyse financial statements/ information				✓		
4.	Analyse information in the annual report				✓		
5.	Assess the usefulness of financial information to various stakeholders						✓
6.	Evaluate emerging financial reporting issues and developments					✓	
7.	Advise on the statutory and non-statutory financial communication requirements						✓
8.	Apply the requirements of all IFRS in issue			✓			
9.	Evaluate ethical issues relating to financial reporting						✓

LEVEL OF ASSESSMENT

The examination will test the learner's ability to apply knowledge and skills in all matters of corporate reporting

EXAMINATION STRUCTURE

There will be a three-hour examination made up of sections A and B. Section A will comprise one compulsory question of 50 marks. Section B will comprise three questions of 25 marks each, of which the candidate will be required to attempt any two

DETAILED SYLLABUS

A. CONCEPTUAL AND REGULATORY FRAMEWORK

1. Conceptual framework for financial reporting:
 - (a) Scope and authority
 - (b) Problems addressed
 - (c) Structure of the standards setting process
 - (d) Effects of the framework on the preparation and presentation of financial statements
 - (e) Recognition and measurement of the elements of financial statements
2. The regulatory framework:
 - (a) Importance of regulating financial reporting
 - (b) Roles of:
 - (i) International Accounting Standards Committee (IASC)
 - (ii) International Accounting Standards Board (IASB) (including its membership)
 - (iii) IFRS Advisory Council
 - (iv) Standards Interpretations Committee (SIC)
 - (v) IFRS Interpretations Committee (IFRIC)
 - (c) Factors that have shaped financial accounting and reporting to current/ present state
 - (d) Main influences on possible future developments of financial accounting/ reporting
 - (e) Role of IFRS
 - (f) Forms of regulation:
 - (i) The Companies Act:
 1. Accounting and reporting requirements

2. Impact of the Act on financial accounting and reporting
 3. Non-financial statements required by the Act: Directors' report, auditor's report, chairman's report, operating and financial review (listed companies)
- (ii) Accounting Standards:
1. Purpose
 2. The standards setting process
- (iii) Financial Institutions Act
- (iv) Insurance Act
- (v) The Microfinance Deposit Taking Institutions Act
- (vi) Reconciliation of different IFRS with the above Acts
- (vii) The role of other regulatory bodies: Bank of Uganda, Insurance Regulatory Authority of Uganda, Capital Markets Authority, Uganda Retirement Benefits Regulatory Authority:
1. Objectives and functions of each regulatory body
 2. Legal and compliance guidelines
 3. Financial reporting requirements and reconciliation with the requirements of IFRS
 4. Institutions that must comply with each regulatory body
 5. Purpose and content of accountant's report for listing

B. PREPARATION OF AND DISCLOSURES IN GROUP FINANCIAL STATEMENTS

1. Acquisition accounting:
 - (a) Recognition of acquiree and acquirer
 - (b) Establishment of acquisition date
 - (c) Recognition and measurement of acquired assets and liabilities
 - (d) Recognition and accounting for non-controlling interests in the acquiree
 - (e) Recognition, measurement and accounting for goodwill or gain on a bargain purchase
2. Preparation of financial statements
3. Measurement principles relating to fair value of the consideration and net assets acquired

4. Acquisitions: Nature and stages
5. Preparation of financial statement where control is achieved in stages
6. Disclosures

C. ADVANCED GROUP FINANCIAL STATEMENTS:

- (i) International Financial Reporting Standard (IFRS) 3, Business Combinations
 - (ii) International Financial Reporting Standard (IFRS) 10, Consolidated Financial Statements
 - (iii) International Financial Reporting Standard (IFRS) 12, Disclosure of Interests in other Entities
 - (iv) International Financial Reporting Standard (IFRS) 13, Fair Value Measurement
1. Objectives and scope of the Standards
 2. Identification of a business combination
 3. Changes in group structure where control is lost/ retained
 4. Disposal of group companies (principles, goodwill on disposal, accounting for partial and/ or deemed disposal)
 5. Creation of a new holding company
 6. Changes in the ownership of companies within a group
 7. Preparation of financial statements after group re-organisation and reconstruction
 8. Application of Islamic finance to business combinations, consolidated financial statements, interests in other entities and fair value measurement

D. ACCOUNTING FOR ASSOCIATES AND JOINT VENTURES:

- (i) International Accounting Standard (IAS) 28, Investments in Associates
 - (ii) International Financial Reporting Standard (IFRS) 11, Joint Arrangements
1. Scope of the Standards
 2. Key concepts of the Standards

3. Accounting treatment:
 - (a) Principles and methods of accounting for associates and joint ventures
 - (b) Preparation of group financial statements with associates and joint ventures
 - (c) Application of Islamic finance to accounting for associates and joint arrangements

E. INTERNATIONAL ACCOUNTING STANDARD (IAS) 7, STATEMENT OF CASH FLOWS

1. Usefulness and limitations of group statement of cash flows
2. Preparation of group statement of cash flows including/ incorporating:
 - (a) Elements of acquisition and disposal of subsidiaries
 - (b) Associates, joint ventures and foreign interests

F. INTERNATIONAL ACCOUNTING STANDARD (IAS) 27, SEPARATE FINANCIAL STATEMENTS

1. Objective and scope of the Standard
2. Key concepts of the Standard
3. Preparation of separate financial statements
4. Disclosures

G. INTERNATIONAL ACCOUNTING STANDARD (IAS) 24, RELATED PARTY DISCLOSURES

1. Objective of the Standard
2. Scope of the Standard including identification of related parties and disclosure requirements
3. Purpose of related party disclosures
4. Definition of key concepts
5. Exemptions including disclosure requirements when exemptions apply
6. Significant adjustments and assumptions
7. Interest in subsidiaries, joint arrangements and associates and unconsolidated structured entities
8. Effectiveness of the Standard currently

H. ACCOUNTING FOR AND DISCLOSURE OF 'OFF-BALANCE SHEET' TRANSACTIONS

1. Meaning of 'off-balance sheet' transactions and 'substance over form'
2. Off-balance sheet and substance over form problems
3. Common forms of off-balance sheet arrangements
4. Current attempts to deal with off-balance sheet problems
5. Application of Islamic finance to contracts involving the concept of substance over form

I. INTERNATIONAL FINANCIAL REPORTING STANDARD (IFRS) 8, OPERATING SEGMENTS

1. Core principle of the Standard
2. Scope of the Standard
3. Aggregation of operating segments
4. Determination of reportable segments including consideration of quantitative thresholds
5. Disclosures

J. INTERNATIONAL ACCOUNTING STANDARD (IAS) 29, FINANCIAL REPORTING IN HYPERINFLATIONARY ECONOMIES

1. Objective and scope of the Standard
2. Treatment of financial statements at the year-end:
 - (a) Historical cost financial statements
 - (b) Current cost financial statements
3. Taxes
4. Statement of cash flows
5. Consolidated financial statements
6. Economies ceasing to be hyperinflationary
7. Disclosures

K. INTERNATIONAL ACCOUNTING STANDARD (IAS) 21, EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES

1. Objective and scope of the Standard
2. Key concepts of the Standard

3. Accounting for foreign subsidiaries, associates, joint ventures, investments and other similar arrangements
4. Preparation of consolidated financial statements involving foreign subsidiaries/ associates and joint ventures
5. Problem areas in foreign currency transactions for individual and group entities
6. Disposal/ partial disposal of a foreign operation/ entity
7. Preparation of financial statements in hyperinflationary economies
8. Disclosures

L. INTERNATIONAL FINANCIAL REPORTING STANDARD (IFRS) 17, INSURANCE CONTRACTS

1. Objective of the Standard
2. Scope of the Standard
3. Key concepts of the Standard
4. Separating components from an insurance contract
5. Recognition and measurement of:
 - (a) Temporary exemptions from other IFRS
 - (b) Changes in accounting policies
 - (c) Insurance contracts acquired in a business combination or portfolio transfer
 - (d) Onerous contracts
 - (e) Adjustment to reflect the time value of money
 - (f) Subsequent measurement of liability for remaining coverage and incurred claims
 - (g) Levels of aggregation
6. Modification and de-recognition
7. Presentation:
 - (a) Statement of financial position:
 - (b) Statement of financial performance
8. Disclosures
9. Application of Islamic finance to insurance contracts

Note: IFRS 17 effective date 1 January 2023. Until then, IFRS 4 remains operational with some amendments like how to apply it with IFRS 9

M. FINANCIAL INSTRUMENTS:

- (i) International Accounting Standard (IAS) 32, Financial Instruments: Presentation
 - (ii) International Financial Reporting Standard (IFRS) 7, Financial Instruments: Disclosures
 - (iii) International Financial Reporting Standard (IFRS) 9, Financial Instruments
1. Objectives and scopes of the Standards
 2. Key concepts of the Standards
 3. Exceptions to the Standards where applicable
 4. Classification of financial instruments as liabilities/ equity
 5. Measurement rules for financial instruments
 6. Accounting for debt instruments, equity instruments and allocation of finance costs
 7. Accounting for fixed interest rate and convertible bonds
 8. Recognition and de-recognition of financial instruments
 9. Embedded derivatives:
 - (a) Host contracts versus embedded derivatives
 - (b) Accounting treatment of embedded derivatives
 - (c) Current values, treatment of gains and losses and derivatives
 10. Hedge accounting
 11. Presentation:
 - (a) Liabilities and equity
 - (b) Compound financial instruments
 - (c) Treasury shares
 - (d) Interests, dividends, losses and gains
 - (e) Offsetting a financial asset and a financial liability
 12. Classes of financial instruments and levels of disclosure in financial statements and other disclosures
 13. Significance of financial instruments for financial statements
 14. Nature and extent of risks arising from financial instruments
 15. Transfer of financial assets
 16. Islamic financial instruments

N. INTERNATIONAL ACCOUNTING STANDARD (IAS) 33, EARNINGS PER SHARE (EPS)

1. Objectives/ issues addressed by the Standard
2. Scope of the Standard
3. Definition of key concepts of the Standard:
4. Measurement:
 - (a) Basic EPS
 - (b) Diluted EPS
 - (c) Effect of changes in capital structure on EPS
 - (d) Restatement of EPS
5. Presentation and disclosure
6. Significance of EPS

O. INTERNATIONAL FINANCIAL REPORTING STANDARD (IFRS) 2, SHARE-BASED PAYMENT

1. Objective and scope of the Standard
2. Meaning of share-based payment
3. Recognition of equity-settled and cash-settled share-based payment transactions
4. Measurement
5. Deferred tax implications
6. Disclosure requirements
7. Effectiveness of the Standard currently

P. INTERNATIONAL FINANCIAL REPORTING STANDARD (IFRS) 5, NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

1. Objective and scope of the Standard
2. Key concepts of the Standard
3. Accounting treatment:
 - (a) Measurement of non-current assets held for sale
 - (b) Presentation and disclosure

Q. INTERNATIONAL ACCOUNTING STANDARD (IAS) 12, INCOME TAXES

1. Objective and scope of the Standard

2. Key concepts of the Standard
3. Recognition of current tax liabilities and current tax assets
4. Recognition of deferred tax liabilities and deferred tax assets
5. Measurement of current tax liabilities and current tax assets
6. Recognition of current tax and deferred tax
7. Presentation of tax assets, liabilities and expense
8. Disclosures

R. INTERNATIONAL ACCOUNTING STANDARD (IAS) 19, EMPLOYEE BENEFITS

1. Objective and scope of the Standard
2. Key concepts of the Standard
3. Short-term and post-employee benefits
4. Past service cost, gains and losses on settlement
5. Recognition and measurement of plan assets
6. Components of defined benefit cost
7. Presentation (offset, current/ non-current distinction, components of defined benefit cost)
8. Analysis and interpretation of financial statements

S. INTERNATIONAL ACCOUNTING STANDARD (IAS) 34, INTERIM FINANCIAL REPORTING

1. Objective and scope of the Standard
2. Key concepts of the Standard
3. Minimum components of an interim financial report
4. Recognition and measurement:
 - (a) Revenues received occasionally
 - (b) Costs incurred unevenly during the year
 - (c) Payroll taxes or insurance contribution paid by employees
 - (d) Costs of planned major periodic maintenance or overhaul
 - (e) Depreciation
 - (f) Tax on income
 - (g) Inventory evaluation
5. Statutory and non-statutory requirements for financial

communication

6. Disclosure in annual financial statements

T. INTERNATIONAL FINANCIAL REPORTING STANDARD FOR SMALL AND MEDIUM-SIZED ENTITIES (IFRS for SMEs)

1. Objective and scope of the Standard

2. Institute of Certified Public Accountants of Uganda (ICPAU)'s Guidelines for Implementation of IFRS for SMEs in Uganda

3. Difference between full IFRS and the IFRS for SMEs

4. Sections of the Standard:

(a) Primary sources of each section of IFRS for SMEs in the full IFRS;

(b) Sections excluded from the IFRS for SMEs

(c) Basis for conclusions of SMEs

(d) Presentation and disclosures of financial statements of SMEs

5. Recognition and measurements implications:

(a) Goodwill

(b) Investment in associates and joint ventures

(c) Research and development costs

(d) Borrowing costs

(e) Property, plant and equipment and intangible assets

(f) Assets held for sale

(g) Biological assets

(h) Share-based payment expense

(i) Financial statements presentation:

- Statement of financial position

- Statement of comprehensive income and income statement

- Statement of changes in equity and statement of comprehensive income and retained earnings

- Statement of cash flows

(j) Notes to the financial statements

(k) Consolidated and separate financial statements

(l) Accounting policies, estimates and errors

(m) Basic financial instruments

- (n) Additional financial instruments issues
- (o) Inventories
- (p) Investments in associates
- (q) Investments in joint ventures
- (r) Investment property
- (s) Property, plant and equipment
- (t) Intangible assets other than goodwill
- (u) Business combinations and goodwill
- (v) Leases
- (w) Provisions and contingencies
- (x) Liabilities and equity
- (y) Revenue
- (z) Government grants
- (aa) Borrowing costs
- (ab) Share-based payment
- (ac) Impairment of assets
- (ad) Employee benefits
- (ae) Income tax
- (af) Foreign currency translation
- (ag) Hyperinflation
- (ah) Events after the end of the reporting period
- (ai) Related party disclosures
- (aj) Specialised activities
- (ak) Transition to the IFRS for SME

U. INTERNATIONAL ACCOUNTING STANDARD (IAS) 10, EVENTS AFTER THE REPORTING PERIOD

1. Objective and scope of the Standard
2. Key concepts of the Standard
3. Recognition, measurement and process of authorisation of adjusting and non-adjusting events
4. Presentation and disclosure

V. IMPACT OF ENVIRONMENTAL, SOCIAL AND CULTURAL FACTORS ON CORPORATE REPORTING

1. Sustainability (environmental and social) reporting
2. Requirements and guidelines for environmental reporting
3. Impact of social and cultural influence on corporate reporting
4. Disclosure of social issues in corporate reporting
5. Ethical conduct in corporate reporting
6. Corporate governance:
 - (a) Concept of corporate governance
 - (b) Effect on corporate behaviour
 - (c) Need for good corporate governance
 - (d) Unethical behaviour
 - (e) Divergence of governance mechanisms from jurisdiction to jurisdiction
 - (f) Effects of good corporate governance on capital markets
 - (g) Role of accounting in corporate governance
 - (h) External audit in corporate governance
 - (i) Corporate governance in relation to the board of directors
 - (j) Risk management
 - (k) Areas of potential conflict of interest

W. INTERNATIONAL HARMONISATION

1. The benefits and need for one set of reporting requirements
2. Barriers to and benefits of international harmonisation
3. Progress of international harmonisation
4. Work and of views International Accounting Standards Board, Financial Accounting Standards Board and Accounting Standards Board

X. CURRENT AND INTERNATIONAL ISSUES AND DEVELOPMENTS

1. Reasons for major differences in accounting practices
2. Restatement of financial statements of foreign entities in line with IFRS
3. Ways of improving communication of corporate performance, current proposals relating to year-end financial statements and business reporting over the internet
4. Current issues relating to improvement of corporate reporting

Y. CORPORATE REPORTING

1. Annual report:
 - (a) IFRS Practice Statement 1: Management Commentary
 - (b) Regulatory considerations:
 - (i) Key provisions on account
 - (ii) Key provisions on audit
 - (iii) Financial information approval
 - (iv) Annual return
 - (v) Other considerations
 - (c) Contents of the annual report:
 - (i) Company information
 - (ii) Management discussion and analysis (MDA)
 - (iii) Report on corporate governance
 - (iv) Directors' report
 - (v) Auditor's report
 - (vi) Accounts (financial statements)
 1. Balance sheet (statement of financial position)
 2. Profit or loss (statement of profit or loss and other comprehensive income)
 3. Cash flows (statement of cash flows)
 4. Statement of changes in equity
 - (d) Notes to the financial statements
 - (e) Preparation of annual report
2. Integrated thinking and reporting:
 - (a) Introduction to and meaning of integrated thinking and reporting
 - (b) Regulatory considerations
 - (c) Purpose, objectives and users of integrated reports
 - (d) International Integrated Reporting Framework:
 - (i) Fundamental concepts
 - (ii) Guiding principles to the preparation of integrated report
 - (iii) Elements of integrated report
 - (e) Benefits of integrated reporting

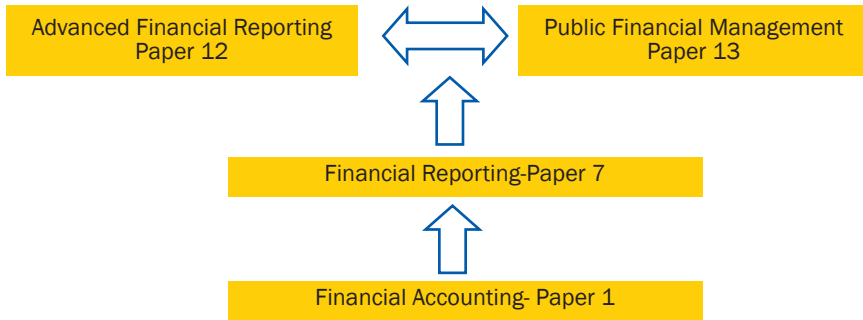
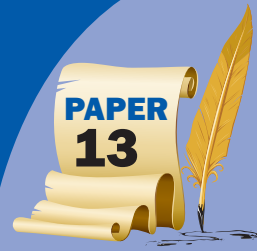
- (f) Relationship between corporate governance reporting and integrated reporting; sustainability reporting and integrated reporting
- (g) Triple bottom line reporting
- (h) Preparation of an integrated report

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1. ICPAU, 2022. Advanced Financial Reporting, Kampala.
2. Elliot B and Elliot J., 2019. Financial Accounting & Reporting, 19th ed, London: Pearson Education Limited.
3. International Accounting Standards Board, Current Edition. International Financial Reporting Standards, London: International Accounting Standards Board.
4. King Committee on Corporate Governance., 2016. King IV Report on Corporate Governance, Johannesburg: King Committee.
5. MIA Islamic Finance Committee, 2020. Accounting for Islamic Finance, Kuala Lumpur: Malaysian Institute of Accountants.

PUBLIC FINANCIAL MANAGEMENT

SYLLABUS CHART



OVERALL AIM

To equip the learner with skills to apply and integrate the policy, legal, regulatory, institutional accountability and reporting frameworks including the entire public financial management (PFM) cycle and the related institutions involved in public sector financial management

LEARNING OUTCOMES

On completion of this course, the learner should be able to:

	Learning outcomes	K	C	A	An	S	E
1.	Discuss the main features of public sector entities		✓				
2.	Apply public sector accounting techniques			✓			
3.	Evaluate public sector accounting and reporting frameworks in Uganda						✓
4.	Prepare and interpret general purpose financial statements				✓		
5.	Develop budgets			✓			
6.	Evaluate and advise on the PFM cycle						✓
7.	Apply statistical financial reporting systems in the preparation and interpretation of statutory and management reports			✓			
8.	Apply International Public Sector Accounting Standards relevant to public sector financial reporting			✓			
9.	Advise on public procurement and disposal						✓
10.	Evaluate current reporting issues and developments						✓
11.	Recommend best practices and ethical considerations in the management of public resources.						✓

LEVEL OF ASSESSMENT

The examination will test the learner's comprehension, application, analytical and evaluation skills in accounting for, management of and reporting on financial resources in the public sector

EXAMINATION STRUCTURE

There will be a three-hour examination made up of sections A and B. Section A will comprise one compulsory question of 50 marks. Section B will comprise three questions of 25 marks each, of which the candidate will be required to attempt any two

DETAILED SYLLABUS

A. INTRODUCTION

1. Meaning and objectives of public sector accounting
2. Characteristics of public sector institutions
3. Private versus public sector accounting systems
4. Categories of public sector reporting entities and their accounting records:
 - (a) Central government (ministries, departments and agencies)
 - (b) Local governments (rural and urban local governments),
 - (c) Statutory bodies
 - (d) Related governmental entities: Public corporations & state enterprises
 - (e) Financing of and accounting for public sector entities
5. Financial reporting in the public sector:
 - (a) Objectives
 - (b) Users of public sector financial statements and their information needs
 - (c) Accounting policies, principles, practices and standards

B. REGULATORY AND INSTITUTIONAL FRAMEWORK

1. Public Financial Management (PFM):
 - (a) Definition, objectives, components and importance
 - (b) Policy review

- (c) Budget:
 - (i) Preparation
 - (ii) Execution (payments, procurement, internal control and audit)
 - (d) Monitoring and financial reporting
 - (e) External audit
 - (f) Parliamentary oversight
 - (g) Treasury Memorandum
2. Laws, statutes and regulations developed for the public service in Uganda
- (a) Regulatory Framework
 - (i) The 1995 Constitution as amended
 - (ii) Leadership Code Act, 2017
 - (iii) Accountants Act, 2013 and Accountants Regulations, 2016
 - (iv) The Local Government Act, 1997 (As amended) and The Local Government (Financial and Accounting) Regulations, 2007
 - (v) Public Finance Management Act (PFMA), 2015 (As amended) and Public Finance Management Regulations, 2016
 - (vi) National Audit Act, 2008
 - (vii) Public Procurement and Disposal of Public Assets (PPDA) Act, 2003 (as Amended) and Public Procurement and Disposal of Public Assets Regulations, 2014
 - (viii) Public Service Act, 2008
 - (b) Institutional Framework:
 - (i) The policy and legal framework
 - (ii) The institutional framework:
 - 1. The central government:
 - Parliament and the public accountability committees
 - Powers and duties of:
 - ✓ Minister in charge of finance
 - ✓ Secretary to the Treasury
 - ✓ Accountant General
 - ✓ Accounting officers
 - ✓ Auditor General

- ✓ Internal Auditor General
 - Role of National Planning Authority (NPA)
- 2. The local government:
 - Local government councils
 - Local government public accounts committees
 - Local government finance commission
 - District local council chairman/ mayor
 - Chief administrative officer/ town clerk
 - Chief finance officer/ town treasurer
 - Chief internal auditor

C. REPORTING FRAMEWORK

1. Scope and authority of the framework
2. Problems addressed by the framework
3. Accounting requirements for central and local governments
 - (a) Accounting cycle (periodic and annual financial statements)
 - (b) Accounting policies and financial statements
4. Role of ICPAU and Accountant General in the standards setting process
5. International Public Sector Accounting Standards (IPSAS):
 - (a) The Conceptual framework
 - (b) Structure of the standards setting process:
 - (i) Setting the agenda
 - (ii) Project planning
 - (iii) Development and publication of a discussion paper
 - (iv) Development and publication of an exposure draft
 - (v) Development and publication of a standard
 - (vi) Procedures after issue the Standard

D. INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARD (IPSAS) 1, PRESENTATION OF FINANCIAL STATEMENTS

1. Objective
2. Scope

3. Definition of key terms:
 - (a) Economic entity
 - (b) Future economic benefits or service potential
 - (c) Government business enterprise
 - (d) Materiality
 - (e) Net asset/ equity
4. Purpose, responsibility and fundamental principles underlying the preparation of financial statements
 - (a) Going concern
 - (b) Consistency of presentation and classification of assets and liabilities
 - (c) Materiality and aggregation
 - (d) Offsetting and aggregation
 - (e) Comparative information
5. Components of financial statements:
 - (a) Statement of:
 - (i) Financial position
 - (ii) Financial performance
 - (iii) Changes in net assets/ equity
 - (iv) Cash flow
 - (b) Comparison between budget and actual (when an entity makes its approved budget public)
 - (c) Notes (summary of significant accounting policies and other explanatory notes)
6. Preparation of the financial statements (with information to be presented on the face of each statement)

**E. INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARD (IPSAS)
2, CASH FLOW STATEMENTS**

1. Objective
2. Scope
3. Benefits of cash flow information

4. Definition of key terms:
 - (a) Cash and cash equivalents
 - (b) Operating, investing and financing activities
 - (c) Control
 - (d) Reporting date
 - (e) Net assets/ equity
5. Presentation of cash flow statement:
 - (a) Operating activities
 - (b) Investing activities
 - (c) Financing activities
6. Direct and indirect methods of reporting cash flow information from operating, investing and financing activities
7. Reporting cash flows on net basis
8. Foreign currency cash flows
9. Interest and dividends
10. Taxation on net surplus
11. Investments in controlled entities, associates and joint ventures
12. Acquisitions and disposals of controlled entities and other operating units
13. Non-cash transactions
14. Components of cash and cash equivalents
15. Disclosure

**F. INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARD (IPSAS)
5, BORROWING COSTS**

1. Objective
2. Scope
 - (a) Accounting for borrowing costs
 - (b) All public entities except government business enterprises
 - (c) Exceptions
3. Borrowing costs (benchmark treatment method)
 - (a) Recognition
 - (b) Disclosure

4. Borrowing costs (alternative treatment method)
 - (a) Recognition
 - (b) Borrowing costs eligible for capitalisation
 - (c) Excess of the carrying amount for a qualifying asset over recoverable amount
 - (d) Commencement, suspension and cessation of capitalisation
5. Disclosure

**G. INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARD (IPSAS)
9, REVENUE FROM EXCHANGE TRANSACTIONS**

1. Objective
2. Scope
3. Definition of key concepts:
 - (a) Revenue
 - (b) Exchange and non-exchange transactions
 - (c) Fair value
4. Measurement of revenue
5. Identification of transactions:
 - (a) Rendering of services
 - (b) Sale of goods
 - (c) Interest, royalties and dividends or similar distributions
6. Disclosure

**H. INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARD (IPSAS)
17, PROPERTY, PLANT & EQUIPMENT**

1. Objective
2. Scope
3. Definition of key concepts:
 - (a) Bearer plant
 - (b) Carrying and recoverable amount
 - (c) Classes of property, plant and equipment
 - (d) Useful and residual values
 - (e) Recoverable service amount

4. Recognition: Infrastructure assets, initial and subsequent costs
5. Measurement: Element and measurement of cost; cost and revaluation models; depreciation, impairment and compensation for impairment
6. Derecognition
7. Disclosure

I. INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARD (IPSAS) 24, PRESENTATION OF BUDGET INFORMATION IN FINANCIAL STATEMENTS

1. Objective
2. Scope
3. Definition of terms:
 - (a) Annual budget; approved budget; final budget; multi-year budget; original budget
 - (b) Appropriation
 - (c) Budgetary basis
 - (d) Comparable basis
 - (e) Actual amounts
 - (f) Accounting basis
4. Presentation of a comparison budget and actual amounts
5. Disclosure of budgetary basis, period and scope
6. Reconciliation of actual amounts on a comparable basis and actual amounts in the financial statements
7. Budgets as tools of determining and streamlining rates of growth for public sector entities

J. INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARD (IPSAS) 22, DISCLOSURE OF FINANCIAL INFORMATION ABOUT THE GENERAL GOVERNMENT SECTOR

1. Objective
2. Scope:
 - (a) Segment reporting
 - (b) Statistical bases of financial reporting
 - (c) Accounting policies

3. Definition of key concepts:
 - (a) Government Business Enterprise
 - (b) General Government Sector
 - (i) Public financial corporations sector
 - (ii) Public non-financial corporations sector
4. Accounting policies
5. Further disaggregation
6. Disclosure
7. Reconciliation to:
 - (a) The consolidated financial statements
 - (b) Statistical bases of financial reporting

**K. INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARD (IPSAS)
23, REVENUE FROM NON-EXCHANGE TRANSACTIONS (TAXES AND
TRANSFERS)**

1. Objective
2. Scope
3. Definition of terms:
 - (a) Non-exchange transactions
 - (b) Revenue
 - (c) Stipulations on transferred assets
 - (d) Conditions on transferred assets
 - (e) Restrictions on transferred assets
 - (f) Substance over form
 - (g) Taxes
 - (h) Transfers
 - (i) Taxable event
 - (j) Tax expenditures
 - (k) Fines
 - (l) Expenses paid through the tax system
 - (m) Control of an asset
4. Analysis of the initial inflow of resources from non-exchange transactions

5. Recognition of assets:
 - (a) Control of an asset
 - (b) Past event
 - (c) Probable inflow of resources
 - (d) Contingent assets
 - (e) Contributions from owners
 - (f) Exchange and non-exchange components of a transaction
 - (g) Measurement of assets on initial recognition
6. Recognition of revenue from non-exchange transactions
7. Measurement of revenue from non-exchange transactions
8. Present obligations recognised as liabilities:
 - (a) Present obligation
 - (b) Conditions on a transferred asset
9. Measurement of liabilities on initial recognition
10. Taxes:
 - (a) Taxable event
 - (b) Advance receipts of taxes
 - (c) Measurement of assets arising from taxation transactions
 - (d) Expenses paid through the tax system and tax expenditures
11. Transfers:
 - (a) Measurement of transferred assets
 - (b) Debt forgiveness and assumption of liabilities
 - (c) Fines
 - (d) Bequests
 - (e) Gifts and donations, including goods in-kind
 - (f) Services in-kind
 - (g) Pledges
 - (h) Advance receipts of transfers
 - (i) Concessionary loans
12. Disclosure

**L. INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARD (IPSAS)
32, SERVICE CONCESSION ARRANGEMENTS: GRANTOR**

1. Objective
2. Scope
3. Definition of key terms:
 - (a) Binding arrangement
 - (b) Grantor
 - (c) Operator
 - (d) Service concession arrangement
 - (e) Service concession asset
4. Recognition and measurement of a service concession asset
5. Recognition and measurement of liabilities:
 - (a) Financial liability model
 - (b) Grant of a right to the operator model
 - (c) Dividing the arrangement
 - (d) Other liabilities, commitments, contingent liabilities and contingent assets
6. Presentation and disclosure:
 - (a) Presentation as per IPSAS 1
 - (b) Appropriate disclosures in the notes

M. ACCOUNTING PRACTICES AND BASES

1. Accounting practices:
 - (a) Fund accounting
 - (b) Entity accounting
2. Accounting bases:
 - (a) Cash basis:
 - (i) Principles and application of cash and modified cash bases
 - (ii) Arguments for and against cash and modified cash bases
 - (b) Accrual basis:
 - (i) Principles and application of accrual and modified accrual bases
 - (ii) Arguments for and against accrual and modified accrual bases

3. Accounting manuals and reports
 - (a) Local Government Financial and Accounting Manual, 2007
 - (b) Financial Reporting Guide, 2018
 - (c) Treasury Instructions, 2017
4. Fund management:
 - (a) Meaning of 'fund'
 - (b) Government funds:
 - (i) Consolidated Fund
 - (ii) Contingency Fund
 - (iii) Petroleum Fund
 - (iv) Local Government General Fund
 - (v) Other funds
5. Sources of government financing
 - (a) Taxes
 - (b) Loans
 - (c) Grants
 - (d) Non-tax revenues
6. The budget:
 - (a) Budget cycle
 - (b) Planning and budgeting
 - (c) Budget (annual) preparation and approval processes
 - (d) Budget execution
 - (e) Budget oversight
7. External audit
 - (a) Processes
 - (b) Reporting
8. Parliamentary oversight and treasury memoranda

N. PERFORMANCE EVALUATION IN GOVERNMENT

Accountability cycle

1. Purpose and principles of evaluation in the public sector
2. Budget monitoring and accountability unit in Ministry of Finance
3. Inspectorate of Government

4. Internal audit
5. Office of the Prime Minister
6. Office of Auditor General:
 - (a) Mandate
 - (b) Types of audits and reports
7. National Development Plan
8. Role, functions and powers of:
 - (a) Public Accounts Committee
 - (b) Parliamentary Local Government Accounts Committee
 - (c) Local Government Public Accounts Committee
 - (d) Committee on Commissions, Statutory Authorities and State Enterprises
 - (e) Committee on Government Assurances
 - (f) Internal Audit Committees

0. PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS PROCESS

1. Basic terms:
 - (a) Procurement
 - (b) Procurement process
 - (c) Disposal and disposal process
 - (d) Bid, bidder, bidding documents, award, best practices
 - (e) International commercial terms (Incoterms)
2. The public procurement process
 - (a) Procurement stages
 - (b) Stakeholders and their roles, activities and guidelines at each stage
3. Salient features of national procurement policy
 - (a) The procurement system:
 - (i) Purpose of public procurement policy
 - (ii) Pillars of national public procurement system:
 - Policy, institutional, legal/ regulatory frameworks
 - Human resource management
 - Market practices
 - Integrity and accountability
 - Procurement operations

- (b) Procurement practices:
 - (i) Supply chain management
 - (ii) Supplier management
 - (iii) Procurement strategy
 - (iv) Outsourcing
 - (v) Complaints handling mechanism
 - (vi) Abnormally priced and unsolicited bids
 - (vii) Risk management
 - (viii) Value engineering
 - (ix) Complex and/ or strategic procurements
- (c) Ways of attaining value for money (VFM), efficiency and effectiveness in procurement:
 - (i) Flexibility
 - (ii) Whole life cycle costing
 - (iii) Fit for purpose
 - (iv) Competition, equal opportunity and regulated environment
 - (v) Transparency
 - (vi) Collaboration and use of procurement tools such as e-procurement and benchmarking
 - (vii) Sustainability in procurement and disposal
 - (viii) Supply chain and risk management
 - (ix) Framework contracting arrangements
 - (x) Due diligence
 - (xi) Force account mechanism
 - (xii) Spend analysis
 - (xiii) Private finance initiatives (PFI)
 - (xiv) Concession contracts
 - (xv) Engineering, procurement and construction (EPC) contracts
 - (xvi) Public private partnerships (PPP)
 - (xvii) Implementation, monitoring and evaluation mechanisms

- (d) Procurement as a policy tool
 - (i) Innovation
 - (ii) Multilateral/ regional and international trade
- 4. Procurement and disposal regulations:
 - (a) Administrative review (process, key players and their role)
 - (b) Contracts (awarding a contract; types of contracts; contract pricing and payment; contract management and contract management plan; delays and termination of contracts and challenges in contract management)
 - (c) Disposal of public assets (process, types of disposal, key players and their role)
 - (d) Evaluations (evaluation committee, evaluation of bids, record of financial bid opening (Form 15) and financial evaluation report under quality and cost based evaluation (Form 17))
 - (e) Procuring and disposal entities (PDEs):
 - (i) Annual procurement plan
 - (ii) Contracts committee and its functions
 - (iii) Delegation of functions by accounting officer
 - (iv) Due diligence and role of internal audit
 - (v) Delegation of procurement and disposal functions by accounting officer (Forms 3 and 4)
 - (vi) PDEs outside Uganda
 - (f) Force account mechanism
 - (g) Procurement of consultancy services
 - (h) Procurement of supplies
 - (i) Preference and reservation schemes

P. PUBLIC FINANCIAL MANAGEMENT AND ACCOUNTING SYSTEMS

1. General purpose of the systems
2. Integrated Financial Management System (IFMS):
 - (a) Meaning, purpose, basic components
 - (b) IFMS and the public financial management cycle
 - (c) Implementation of IFMS
 - (d) Computerised financial management systems for embassies/ high commissions/ consulates abroad

- (e) Advantages and disadvantages of automated financial management systems
- 3. Integrated Personnel and Payroll System (IPPS)
 - (a) Meaning and functions
 - (b) Implementation process
 - (c) Advantages and challenges in public financial management
 - (d) Integrated payroll and pension system in Uganda
- 4. Debt Management and Financial Accounting Systems (DMFAS)
 - (a) Meaning and functions
 - (b) Implementation process
 - (c) Advantages and challenges in public financial management
 - (d) Debt management and financial management accounting systems in Uganda
- 5. Fixed Assets and Inventory Management Systems (FAIMS)
 - (a) Meaning and functions
 - (b) Implementation process
 - (c) Advantages and challenges in public financial management
 - (d) Fixed assets and inventory management systems in Uganda
- 6. Treasury Single Account (TSA) in Uganda
- 7. The e-cash system
- 8. Programme Budgeting System (PBS)
- 9. Bank of Uganda Banking System (BBS)
- 10. E-registration system
- 11. E-tax system

Q. ETHICS AND PUBLIC SERVICE VALUES

- 1. The roles, obligations and conduct of public officers
- 2. Code of Conduct and Ethics for Uganda Public Service:
 - (a) Guiding principles of the Code:
 - (i) Accountability
 - (ii) Decency
 - (iii) Diligence
 - (iv) Discipline
 - (v) Transparency

- (b) Work ethics:
 - (i) Attendance to duty
 - (ii) Handing-over and taking-over of office
 - (iii) Employment outside official schedule
 - (iv) Dissemination of information
 - (v) Financial embarrassment
 - (vi) Time management
 - (vii) Sexual harassment
 - (viii) Customer care
 - (ix) Conflict of interest
 - (x) Secrecy and confidentiality
- 3. Inspectorate of Government: Leadership Code
 - (a) General powers of the Inspectorate
 - (b) Declaration of income, assets and liabilities
 - (c) Circumstances for disclosure of personal interest
 - (d) Handling of gifts or benefits in-kind by public officials
 - (e) Use of public property
 - (f) Conflict of interest and consequences
 - (g) Challenges of the Office of Inspectorate of Government

R. CURRENT DEVELOPMENTS IN PFM

Any emerging issues

REFERENCES

1. ICPAU, 2022. Public Financial Management, Kampala.
2. Government of Uganda, Kampala: Uganda Printing and Publishing Corporation:
 - (a) Local Government Acts, 1997 as amended
 - (b) Public Finance Management Act, 2015 as amended
 - (c) Public Finance Management Regulations, 2016
 - (d) Local Government Financial and Accountability Regulations, 2007
 - (e) Public Procurement and Disposal of Public Assets Act and Regulations, 2014 as amended
 - (f) Public Service Standing Orders, 2010
 - (g) Leadership Code Act, 2017
 - (h) Constitution of the Republic of Uganda, 1995 as amended
 - (i) National Audit Act, 2008
 - (j) The Code of Conduct and Ethics for Uganda Public Service
3. International Federation of Accountants, Current Edition. Handbook of International Public Sector pronouncements. New York: International Federation of Accountants.
4. International Federation of Accountants, Current Edition. IPSAS Handbook. New York: International Federation of Accountants.

STRATEGY, GOVERNANCE AND LEADERSHIP

SYLLABUS CHART



Strategy, Governance and Leadership – Paper 14



Management and Information Systems – Paper 4

OVERALL AIM

To equip the learner with skills to evaluate and report on matters of strategy, governance and leadership in organisations

LEARNING OUTCOMES

On completion of this course, the learner should be able to:

	Learning outcomes	K	C	A	An	S	E
1.	Assess the strategies adopted by organisations				✓		
2.	Evaluate the marketing mix						✓
3.	Assess the human resource management function				✓		
4.	Report on strategic options available to organisations					✓	
5.	Report on strategic management practices in organisations					✓	
6.	Analyse contemporary management issues				✓		
7.	Develop strategic plans for organisations			✓			
8.	Evaluate the organisational development process						✓
9.	Evaluate the challenges facing businesses						✓
10.	Evaluate business opportunities						✓
11.	Evaluate business plans						✓
12.	Evaluate the role of information systems in supporting business						✓

LEVEL OF ASSESSMENT

The examination will test the ability of the learner to apply, analyse, synthesise and evaluate strategy, leadership and governance issues in organisations

EXAMINATION STRUCTURE

There will be a three-hour examination comprising sections A and B. Section A will comprise one compulsory question of 50 marks. Section B will comprise three questions of 25 marks each, of which the candidate will be required to attempt any two

DETAILED SYLLABUS

A. STRATEGIC MANAGEMENT

1. Introduction to strategic management
 - (a) Strategic management concept, scope, framework
 - (b) Nature and importance of strategic management
 - (c) The strategic planning framework
2. Strategic management process
 - (a) Evaluation of internal and external organisational environment using various frameworks
 - (b) Assessment of the external environment using frameworks including:
 - (i) The Political, Economic, Social, Technological, Legal and Environmental (PESTLED) Model
 - (ii) The Five Forces Model
 - (c) Assessment of the internal organisational competences using a range of frameworks, including:
 - (i) Resource audit
 - (ii) Functional structure
 - (iii) Strategic gap analysis
 - (iv) The Boston Consulting Group (BCG) growth-share matrix
 - (v) General Electric Grid
 - (vi) Product profitability analysis
 - (vii) Product lifecycle analysis
 - (viii) Value chain analysis
 - (ix) Financial analysis
 - (x) Benchmarking
 - (xi) Break-even analysis
 - (xii) Balanced Score Card

- (xiii) Customer profitability analysis
- (xiv) The Generic Strategies model
- (d) Situational analysis:
 - (i) Evaluation of key success factors to organisational success
 - (ii) Competitive advantage: its sources and sustainability
 - (iii) Strengths, weaknesses, opportunities and threats (SWOT) analysis
 - (iv) Current strategy with focus on positives, negatives and likelihood of success
 - (v) Usefulness of models in gaining competitive advantage: SWOT analysis, Five Forces model, Value chain analysis and Generic strategies
 - (vi) BCG matrix
- 3. Shaping a strategy:
 - (a) Importance of vision and mission; developing a strategic vision and mission
 - (b) Need for objectives; qualities of objectives
 - (c) Importance of strategies in improving organisational performance
 - (d) Need for a corporate strategy, business strategy and functional strategy
 - (e) Evaluation of strategies:
 - (i) Generic strategies (cost leadership, differentiation and focus)
 - (ii) Directional strategies (growth, stability and retrenchment)
 - (iii) Ansoff's product/ market matrix (product development, market development, market penetration and diversification (related or unrelated))
 - (f) Restructuring:
 - (i) Retrenchment and divestiture
 - (ii) Business process re-engineering
 - (iii) Strategic alliances (joint ventures, licensing, franchising)
 - (iv) Corporate restructuring and turnaround
 - (g) Multinational strategies (exportation, licensing, green field development)
 - (h) Diversification; importance of diversification

4. Evaluation and choice of strategies
 - (a) Evaluation of the appropriateness of strategies based on:
 - (i) Suitability
 - (ii) Feasibility
 - (iii) Acceptability
 - (iv) Competitive advantage
 - (b) Strategic analysis
5. Strategy implementation
 - (a) Organisational aspects that affect strategy implementation:
 - (i) Structure
 - (ii) Policies and procedures
 - (iii) Support systems
 - (iv) Budgets
 - (v) Rewards and incentives
 - (vi) Corporate culture
 - (vii) Ethics and values
 - (viii) Best practices
 - (ix) Social responsibility
 - (x) Strategic leadership
 - (b) Failure of strategy implementation and remedies
6. Strategic control
 - (a) Need for strategic control
 - (b) Forms of control
 - (c) The control cycle
 - (d) Performance measurement; appropriate key performance indicators (qualitative and quantitative)
 - (e) Use of benchmarking in strategic control
 - (f) Improvement of strategic control
7. Developing a strategic plan
 - (a) Structure of a strategic plan in:
 - (i) Business organisations
 - (ii) Public sector
 - (iii) Non-governmental organisations (NGO) or project organisations

- (b) Writing a development project proposal/ plan for NGOs/ government
 - (i) Application of the problem tree analysis approach in developing project plans
 - (ii) Project logical framework (goals, objectives, inputs, outputs and outcomes) and its importance in developing project strategic plans/ proposals
 - (iii) Constraining factors in development project planning (time, cost, quality, resources and customer satisfaction)
- (c) Linking strategic plans to operational plans
 - (i) Importance of corporate, business and functional plans
 - (ii) Process of developing strategic budget that is linked to strategic plans, and the major roles played by the accountant in the strategic planning process
 - (iii) Importance of linking strategic plans to business, human resource, financial, operational and marketing plans
 - (iv) Reasons for failure of linking strategic plans to operational plans

B. MARKETING MANAGEMENT

1. Meaning of marketing:

- (a) Role of marketing for both profit making and non-profit making organisations
- (b) Stages in evolution of marketing
- (c) Strategic marketing/ the marketing plan:
 - (i) Assessment of internal and external marketing environment guided by a range of frameworks (PESTLED, Five forces Model, BCG matrix, Life cycle analysis)
 - (ii) Situational assessment
 - (iii) Characteristics of industrial and individual customers
 - (iv) Consumer buying behaviour and its relevance to the marketer
 - (v) Characteristics of goods and services and the marketing implications

2. Marketing strategies:

- (a) Application of marketing concepts: Market segmentation, market targeting, market positioning
- (b) Evaluation of marketing strategies: Ansoff's product market matrix

- (c) Strategic choices
- 3. Marketing mix:
 - Applicability of the elements of a marketing mix:
 - (a) Product:
 - (i) Goods versus services
 - (ii) Product development process
 - (iii) Relevance of the product life cycle
 - (b) Price: Pricing strategies
 - (c) Place: Distribution channels
 - (d) Promotion:
 - (i) Communication model as part of promotion
 - (ii) Elements of the promotional mix
 - (iii) Usefulness of 'push' and 'pull' promotional strategies
 - (e) People: Role of people in marketing goods and services
 - (f) Processes: Role of the process in service marketing
 - (g) Physical evidence: The need to create physical evidence in service marketing
- 4. Ethics in marketing: Practical challenges of ethics in marketing

C. HUMAN RESOURCE MANAGEMENT

- 1. Meaning, scope and functions:
 - (a) Nature of human resource management and its relationship to organisational strategy
 - (b) Human resource management process (planning, recruitment, retention and exit)
 - (c) Human resource and personnel management
 - (i) Human resource management versus personnel management
 - (ii) Role of line managers in the human resource management process
- 2. The human resource planning process; need for human resource planning
- 3. Recruitment and selection:
 - (a) Job description, job specification, job evaluation
 - (b) Sources of recruitment
 - (c) Selection methods

4. Motivation:
Relevance and applicability of motivation theories:
 - (a) Maslow's hierarchy of needs
 - (b) Herzberg's motivation (hygiene theory)
 - (c) Victor Vroom's valence (expectancy) theory
5. Staff development and training:
 - (a) Training and development
 - (b) Role of training in the development of organisation strategy
 - (c) The ideal training process
 - (d) Forms of training (on-the-job versus off-the-job training)
6. Performance appraisal:
 - (a) Need for performance appraisal
 - (b) Forms of performance appraisal
 - (c) Challenges of performance appraisal and ways of resolving them
7. Managing Generation X and Generation Y employees

D. LEADERSHIP

1. Strategic leadership and management
2. Leadership styles:
 - (a) Traditional
 - (b) Contemporary
3. Leadership theories
 - (a) Team leadership
 - (b) Path-goal theory
 - (c) Social
 - (d) Transformational
 - (e) Transactional
 - (f) Servant leadership.
4. Leadership models
 - (a) The Managerial Grid
 - (b) The Bolman and Deal's Four-Frame Model
5. Approaches to leadership

6. Leadership mind set
 - (a) Nurturing leadership ethos
 - (b) The seven principles of thinking like a leader
7. Leadership empowerment programmes
8. Effective delegation and mentorship
9. Emotional intelligence and critical thinking in leadership

E. OPERATIONS MANAGEMENT

1. Role of operations management in organisational strategy (facility location, production management, capacity utilisation)
2. Role of value chain in operations management
3. Production processes:
 - (a) Appropriateness of production types and facility layouts (product focused, batch production, process focused, fixed position layout)
 - (b) Appropriateness of facility layouts (job, mass, and batch process)

F. ORGANISATIONAL DEVELOPMENT AND CHANGE

1. Managing an organisational development process
 - (a) Scope, nature and context of organisational development (OD):
 - (i) Meaning, nature and scope of OD
 - (ii) Models of OD (the Doctor-Patient model and the Action Research model)
 - (iii) Phases of OD process (problem identification, data collection, diagnosis, planning and implementing, OD interventions and evaluation and feedback)
 - (iv) Ethical principles of an OD consulting engagement
 - (b) Organisational diagnosis:
 - (i) Meaning and importance of organisational diagnosis
 - (ii) Steps in organisational diagnosis (structural analysis, process analysis, function analysis and domain analysis)
 - (iii) Facets of organisational diagnosis (process, modeling & methods)
 - (iv) Organisational diagnostic models (Weisbord's Six Box Model and MC Kinsey's 7-S Model)

- (c) Organisational development interventions: overview of levels of OD interventions (individual, group and organisational levels)
 - organisational level OD interventions:
 - (i) Human process interventions (organisational confrontational meetings, inter-group relations, large-group interventions, and managerial grid development)
 - (ii) Human resource interventions (reward systems)
 - (iii) Techno-structural interventions (structural design, downsizing, reengineering, parallel structures, high-involvement organisations, and total quality management)
 - (iv) Strategic interventions (open systems planning, integrated strategic change, trans-organisational development, mergers and acquisitions, culture change, self-designing organisations and organisational learning)
2. Change management
- (a) Types of strategic change: Evolution, adaptation, reconstruction, revolution
 - (b) The need for change management (changing environment versus resistance to change)
 - (c) Forces of change (internal and/ or external)
 - (d) Approaches to change management (forceful change versus educative change)
 - (e) Frameworks for change management:
 - (i) The champion of change model
 - (ii) Kurt Lewin's Freeze model
 - (iii) Kurt Lewin's force field analysis

G. MANAGING INFORMATION SYSTEMS

1. Strategic importance of information systems
2. Evolution of information systems; Nolan's six states of evolution
3. Importance of information technology to a business; McFarlan's grid
4. Information systems used to support the overall business strategy; the information engineering model
5. Ethical challenges regarding information systems
6. Methods used to match the information strategy in an organisation with its business objectives;

- (a) Earl's planning process
- (b) Ward's model of aligning information systems and business strategies
- (c) McFarlan's strategic grid

H. CONTEMPORARY MANAGEMENT ISSUES

1. Origin, relevance and applicability of contemporary management issues:
 - (a) Total quality management
 - (b) Business process re-engineering
 - (c) Results oriented management
2. Other emerging issues

I. BUSINESS PLANNING

1. Relevance: Meaning, importance, users
2. Essential components:
 - (a) Executive summary
 - (b) Vision, Mission statements, goals, objectives and core values
 - (c) Business description
 - (d) Products/ Services
 - (e) Organisation plan, production plan, financial plan, market analysis and market plan
 - (f) Details of past achievements / successes of members who form the management team
 - (g) SWOT analysis of the company
 - (h) Conclusion
 - (i) Appendices
3. Presentation of a business plan
4. Factors that hinder the development of an effective business plan
5. Case studies

J. GOVERNANCE

1. Concept of corporate governance: Narrow and broad perspectives
2. Link between legal framework and actual governance practices
3. The oversight function of the board of directors
4. Organisational politics
5. Management accountability to the board and shareholders

6. Entity transparency
7. Principle of probity
8. The board and sustainability

K. ETHICAL ISSUES

1. Ethical responsibilities and challenges in business strategies and policies
2. Moral/ ethical issues and challenges
3. Business ethics, virtue ethics, moral duties
4. Normative, Teleological, Deontological theories of ethics
5. Industrial espionage and sabotage

L. RISK MANAGEMENT

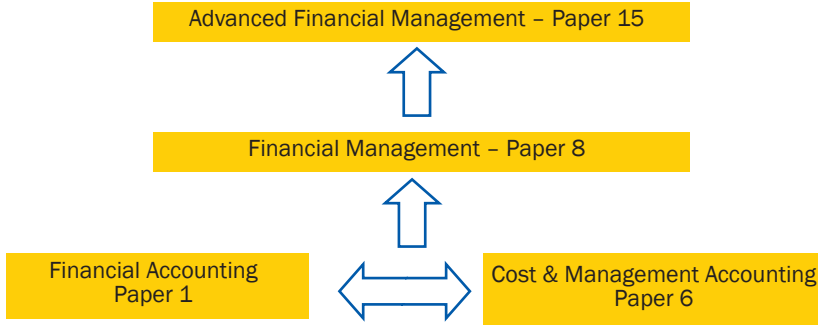
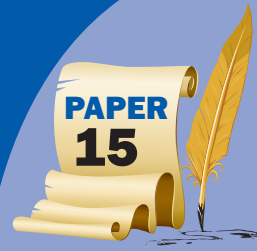
1. Meaning of risk and business risk
2. External/ internal risks and their impact on the achievement of:
 - (a) Strategic objectives
 - (b) Operational efficiency and effectiveness
 - (c) Reliable reporting
 - (d) Legal, regulatory and ethical compliance
3. Response to risks
4. Mitigation of risks
5. Risk monitoring and management processes including information and communication systems
6. Inherent and residual risks after mitigation
7. Judgment of inherent and residual risks in relation to shareholder and stakeholder risk appetites

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ADVANCED FINANCIAL MANAGEMENT

SYLLABUS CHART



OVERALL AIM

To equip the learner with skills to exercise judgment in strategic financial management decision making

LEARNING OUTCOMES

On completion of this course, the learner should be able to:

	Learning outcomes	K	C	A	An	S	E
1.	Evaluate the role of financial management executives in corporate governance						✓
2.	Evaluate the role of financial market theories and financial securities						✓
3.	Evaluate the impact of financial decisions on cost of capital						✓
4.	Evaluate investment decisions and their impact on the financial position						✓
5.	Recommend appropriate financing options					✓	
6.	Recommend appropriate corporate restructuring strategies					✓	
7.	Evaluate financial decisions in the international environment						✓
8.	Assess the appropriateness of Islamic financing to an investment						✓

LEVEL OF ASSESSMENT

The examination will test the learner’s synthetic and evaluation skills in financial decision making

EXAMINATION STRUCTURE

There will be a three-hour examination made up of sections A and B. Section A will comprise one compulsory question of 50 marks. Section B will comprise three questions of 25 marks each, of which the candidate will be required to attempt any two

DETAILED SYLLABUS

A. CORPORATE GOVERNANCE

1. Financial objectives of the strategic planning process
2. Corporate social responsibility and its relationship to the objectives of the organisation
3. Stakeholders: Interests of each stakeholder group; resolution of stakeholder conflict
4. Patterns of share ownership
5. Maximisation of shareholder wealth
6. Agency theory and its relevance to financial management; use/ abuse of directors' powers
7. The professional, regulatory and legal framework relevant to financial management including stock exchange requirements, money laundering and directors' responsibilities
8. Compensation schemes for directors and senior managers
9. Corporate policies and management of corporate funds
10. Money laundering: Layers, methods/ modes, stages, effects; anti-money laundering: Policies, procedures, compliance issues
11. Audit committees: Structure, roles, benefits and drawbacks
12. Non-executive directors: Roles, effectiveness
13. Sustainability and environmental management issues
14. Best practices
15. Ethical considerations
 - (a) Corruption
 - (b) Bribery
 - (c) Integrity
 - (d) Conflict of interest
 - (e) Insider dealing

B. FINANCIAL MARKET THEORIES AND FINANCIAL SECURITIES

1. Technical analysis
2. Random walk theory
3. Efficient market hypothesis; significance of efficient market hypothesis
4. Use of market ratios in financial decisions
5. Evaluation of convertible securities and warrants
6. Foreign currency markets
 - (a) Exchange rate quotations
 - (b) Factors influencing exchange rates
 - (c) Purchasing power parity theory
 - (d) Interest rate parity theory
 - (e) Exchange rate systems

C. CAPITAL BUDGETING

1. Evaluation of capital budgeting decisions
 - (a) Asset replacement decisions
 - (b) Asset acquisition decisions:
 - (i) Mutually exclusive projects
 - (ii) Mutually exclusive projects with unequal lives
 - (iii) Under conditions of capital rationing
 - (c) Abandonment/ disposal decisions
2. Risk and uncertainty in relation to project lifespan
3. Application, usefulness and limitations of the following in capital budgeting:
 - (a) Sensitivity analysis
 - (b) Probability analysis
 - (c) Other risk adjusting techniques: Adjusted payback, simulation
4. Evaluation of alternative asset acquisition and financing methods, including lease or buy decisions, investment decisions using Islamic finance
5. The adjusted present value approach

D. COST OF CAPITAL AND CAPITAL STRUCTURE

1. Concept of cost of capital; relevance of cost of capital in investment management
2. Evaluation of an entity's weighted average cost of capital
3. Gearing and the cost of capital:
 - (a) Concept of gearing and its relation to the overall cost of capital
 - (b) Implications of high levels of gearing and its relation to financial risk using ratio analysis, and cash flow forecasting
4. Theories of capital structure and their relevance:
 - (a) The traditional school of thought
 - (b) The Modigliani and Miller school of thought (both with and without taxes)
5. Estimation of cost of capital for unlisted companies
6. Interaction between financing and investment decisions

E. DIVIDEND POLICY

1. Relationship between dividend and financing decisions
2. Dividend policy theories
3. Relevance of dividend decisions- the traditional and Modigliani and Miller schools of thought
4. Forms of dividends:
 - (a) Stock splits
 - (b) Bonus shares
 - (c) Cash dividends
5. Dividends as a signal to investors
6. Practical factors that influence dividend decisions

F. PORTFOLIO THEORY

1. Risk and return for a single asset:
 - (a) The risk-return relationship in corporate investments
 - (b) Determination of risk for a single asset using standard deviation/ variance
 - (c) The return of a single asset using expected value and probability theory
2. Determination of risk and return for a two asset portfolio

3. Application of correlation and covariance in selecting investments in a portfolio
4. Properties and computation of correlation
5. Risk diversification and reduction: Meaning, role in investment management
6. Application of the mean-variance approach in portfolio selection process
7. Expected value and expected return of a portfolio
8. Covariance of a portfolio
9. Determination of covariance using joint probability function
10. Relevance of portfolio theory to financial management
11. Limitations of portfolio theory

G. THE CAPITAL ASSET PRICING MODEL (CAPM)

1. Investor preferences and indifference curves
 - (a) Efficient portfolio
 - (b) Indifference curve
 - (c) Risk-free investments
2. Systematic versus unsystematic risk
3. Propositions of CAPM
4. Capital and security market lines:
 - (a) Meaning
 - (b) Relationship
 - (c) Relevance
5. Alpha values
6. Estimation of beta values using:
 - (a) Security market line
 - (b) Covariance/ correlation formulae
7. Gearing and the beta values
8. Using the CAPM in investment decisions
9. Practical applications and limitations of CAPM
10. Arbitrage pricing theory and its relevance in financial investment

H. CORPORATE RESTRUCTURING

1. Nature and role of corporate restructuring
2. Capital reconstruction schemes

3. Mergers and acquisitions
 - (a) Differences
 - (b) Motives
 - (c) Price and regulatory considerations
 - (d) Strategic considerations for conglomerate, vertical and horizontal mergers/ acquisitions
 - (e) Payment options
 - (f) Hostile and friendly mergers; defences against hostile takeovers
 - (g) Process considerations
 - (h) Factors that influence the success of mergers; reasons why some mergers may fail to meet objectives
4. Other methods of corporate amalgamations
 - (a) Demergers
 - (b) Divestments
 - (c) Management buyouts/ buy-ins
 - (d) Sell-offs/ spin-offs
 - (e) Share repurchase
 - (f) Going private

I. DERIVATIVES

1. Types of derivatives:
 - (a) Forward contracts
 - (b) Futures contracts
 - (c) Options
 - (d) Swaps
2. Options and option valuation
 - (a) Nature of options
 - (b) Option writers and purchasers
 - (c) Types of options:
 - (i) Share options
 - (ii) Currency options
 - (iii) Collars
 - (iv) Swaptions
 - (d) Valuation of options using Black-Scholes Pricing Model

(e) Application of options theory in financial decisions

J. MULTATIONALS AND INTERNATIONAL TRADE

1. Multinationals and global trends; types, growth and impact on the economies of host countries

2. Multinationals and Foreign Direct Investments (FDI)

3. International trade and economic groupings

4. Sourcing finance in the international environment

5. International banking and capital markets

6. International operations

(a) Forms of international operations

(i) Foreign direct investment:

1. Meaning

2. Forms

- Greenfield investments
- Joint ventures
- Acquisitions and subsidiaries

(ii) Other forms of international operations

1. Exporting

2. Licensing

3. Franchising

4. Management contracts

(b) Risks of international operations

(c) International investment decisions; factors to take into consideration

(i) International cost of capital

(ii) Taxation

K. INTERNATIONAL MARKETS

1. Treasury and risk management

2. Role of treasury function

(a) Key activities of treasury managers

(b) Arguments for and against centralised treasury management

(c) Treasury function as a cost/ profit centre

(d) Evaluation of transfer prices in treasury decisions

3. Management of interest rates and interest rate risks
4. Use of derivative instruments to hedge interest rates
5. Managing a debt portfolio
6. Interest rate exposure and management
 - (a) Forward interest rates agreements
 - (b) Duration analysis
 - (c) Derivative instruments
7. Effect of monetary policy and regulation on interest rates
8. Currency risk:
 - (a) Management of currency risk
 - (b) Methods of managing currency risk
 - (i) Matching receipts and payments
 - (ii) Managing the currency of invoicing
 - (iii) Leading and lagging
 - (iv) Matching assets and liabilities
 - (v) Forward rate agreements
 - (vi) Netting
 - (vii) Hedging using money markets and futures contracts

L. ISLAMIC FINANCE

1. The regulatory framework:
 - (a) Financial Institutions Act, 2016
 - (b) Financial Institutions (Islamic Banking) Regulations, 2018
 - (c) Insurance Act, 2017
 - (d) Takaful Regulations
2. Requirements for sustained growth of Islamic finance
3. The concept of time value of money
4. Islamic capital markets:
 - (a) Islamic financial instruments
 - (b) Potential for Islamic capital instruments
 - (c) Sharia compliance and the equity market

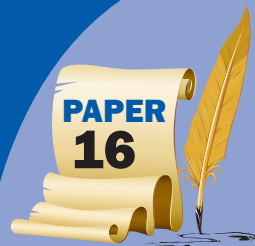
5. Corporate governance under Islamic finance
 - (a) Definition, composition and functions of Sharia Advisory Board and Sharia Advisory Council
 - (b) Issues that need to be considered:
 - (i) Risks and liabilities
 - (ii) Co-financing

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AUDIT PRACTICE AND ASSURANCE

SYLLABUS CHART



Audit Practice & Assurance - Paper 16



Auditing, Ethics & Assurance – Paper 9

OVERALL AIM

To equip the learner with skills to consolidate knowledge and exercise judgment in execution and finalisation of an audit and other assurance engagements in compliance with International Standards on Auditing and the regulatory framework

LEARNING OUTCOMES

On completion of this course, the learner should be able to:

	Learning outcomes	K	C	A	An	S	E
1.	Advise on regulatory, professional and ethical issues relevant to the execution of audits and other assurance engagements						✓
2.	Assess risks relevant to planning, execution and finalisation of audits and other assurance engagements						✓
3.	Advise on audit planning procedures						✓
4.	Apply IT across the audit cycle			✓			
5.	Advise on the preparation and documentation of tests to be performed to obtain sufficient appropriate audit evidence						✓
6.	Analyse issues associated with group audits				✓		
7.	Advise on audit finalisation procedures and formation of an audit opinion						✓
8.	Advise on the principles of corporate governance						✓
9.	Evaluate the performance and management of the internal audit function						✓
10.	Analyse the components of internal control related to financial reporting				✓		
11.	Recommend professional practices for assurance engagements						✓
12.	Recommend best practices regarding management of a practice						✓
13.	Assess the impact of emerging issues on auditing						✓

LEVEL OF ASSESSMENT

The examination will test the learner's application, analytical, synthetic and evaluation skills in auditing and other assurance engagements

EXAMINATION STRUCTURE

There will be a three-hour examination made up of sections A and B. Section A will comprise one compulsory question of 50 marks. Section B will comprise three questions of 25 marks each, of which the candidate will be required to attempt any two

DETAILED SYLLABUS

A. PROFESSIONAL, LEGAL AND REGULATORY ENVIRONMENT

1. Introduction:
 - (a) Auditing and other assurance services: Types, role, benefits
 - (b) Need for audit of financial statements
 - (c) Auditing regulation and standards setting:
 - (i) Role of International Auditing and Assurance Standards Board (IAASB)
 - (ii) Role of International Federation of Accountants (IFAC)
 - (iii) Role of Institute of Certified Public Accountants of Uganda (ICPAU)/ Accountants Act, 2013
 - (iv) Current issues in auditing and assurance
 - (v) The standards setting process
 - (d) Causes and effects of audit failure
 - (e) Audit engagement outcomes versus expectations of users of audit reports
2. Statutory audit:
 - (a) Scope and purpose
 - (b) Objectives; principal activities; value of the audit
 - (c) Regulatory environment within which statutory audits take place
 - (d) Reasons and mechanisms for the regulation of auditors
 - (e) Auditor qualification and skills
 - (f) Statutory regulations governing the appointment, removal and resignation of auditors

3. Non-statutory audit:
 - (a) Nature, scope and purpose
 - (b) Accountability, stewardship, agency
 - (c) Reporting as a means of communication to different stakeholders
 - (d) Mechanisms and justification for the audit of Less Complex Entities (LCE)
4. Consideration of laws and regulations in the audit of financial statements, as per ISA 250 (Revised):
 - (a) Responsibility for compliance with laws and regulations
 - (b) Auditor's consideration of compliance with laws and regulations
 - (c) Audit procedures when non-compliance is identified or suspected
 - (d) Policies and procedures expected of an entity to assist in prevention and detection of non-compliance with laws and regulations
 - (e) Categories of laws and regulations expected to be complied with by entities
5. Setting objectives and obtaining evidence:
 - (a) Audit objectives for the financial statement audit
 - (b) Management assertions / representations over financial statements (Completeness, accuracy, valuation, existence/ occurrence, cut-off, rights and obligations, presentation and disclosure, etc)
 - (c) Audit evidence; methods of obtaining audit evidence; quality of evidence

B. AUDIT PLANNING AND RISK ASSESSMENT

1. Objectives of an independent auditor, agreeing terms of audit engagement, and conduct of an audit in accordance with International Standards of Auditing (ISA) - (ISA 200, Revised) and ISA 210
 - (a) Objectives of an auditor in relation to audit of financial statements
 - (b) Professional skepticism and professional judgement
 - (c) Audit risk and sufficient appropriate audit evidence
 - (i) Risk of material misstatement (inherent/ internal control)
 - (ii) Detect risk
 - (d) Inherent limitations of an audit

- (e) Conducting an audit in accordance with ISAs
 - (i) Nature of ISAs
 - (ii) Considerations for public sector and public interest entities (PIEs)
- 2. Agreeing the terms of an engagement (ISA 210) for new and recurrent audit engagements; changes in terms of audit engagement
- 3. Quality control for an audit of financial statements (ISA 220, Revised)
 - (a) Leadership responsibilities for managing & achieving quality audits
 - (b) Relevant ethical requirements including those related to independence
 - (c) Acceptance & continuance of client relationships and audit engagements
 - (d) Engagement resources
 - (e) Engagement performance
 - (i) Direction, supervision and review
 - (ii) Consultation
 - (iii) Engagement quality review
 - (iv) Differences of opinion
 - (v) Audit documentation (ISA 230)
 - (f) Monitoring and remediation
- 4. Taking over responsibility for managing & achieving quality
- 5. Documentation
- 6. Auditor's responsibility in relation to fraud in the audit of financial statements (ISA 240, Revised)
 - (a) Characteristics of fraud
 - (b) Responsibility for the prevention and detection of fraud
 - (c) Discussions among the engagement team
 - (d) Risk assessment procedures and related activities relating to fraud
 - (e) Identification, assessment and responses to risks of material misstatement due to fraud
 - (f) Circumstances under which the auditor is unable to continue with the audit engagement

7. Planning of an audit of financial statements (ISA 300)
 - (a) Overall audit strategy
 - (b) Reporting objectivities, timing of the audit and nature of communication
 - (c) Significant factors/risks, preliminary engagement activities and knowledge gained on other engagements
 - (d) Nature, timing and extent of resources
 - (e) Audit approach and methodology
8. Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and Its Environment (IAS 315, Revised):
 - (a) Identifying and assessing risk of material misstatement
 - (b) Matters to consider in obtaining an understanding of the entity
 - (i) Relevant industry, regulatory, and other external factors including the applicable financial reporting framework
 - (ii) The nature of the entity; operations, ownership, structure, etc
 - (iii) Understanding the entity's selection and application of accounting policies
 - (iv) Understanding the entity's objectivities, strategies and related business risks
 - (v) Measurement and review of the entity's performance
 - (c) Circumstances where professional judgement must be exercised
 - (d) Ways of obtaining an understanding of the Entity; analytical procedures, observation, inspection, inquiries, etc
 - (e) Discussions among the engagement team
 - (f) Entity's internal control
 - (i) General nature and characteristics of internal control: Purpose of the internal controls; limitations of internal controls; considerations specific to small entities
 - (ii) Nature and extent of understanding relevant controls
 - (iii) Components of internal control (Control environment; entity's risk assessment process; information systems; control activities relevant to the audit; monitoring of controls)

9. Materiality in planning and performance of an audit (IAS 320):
 - (a) Determining materiality and performance materiality
 - (b) Revision of materiality as the audit progresses
10. Auditor's responses to assessed risks (ISA 330):
 - (a) Audit procedures (Tests of control and substantive procedures)
 - (b) Evaluating sufficiency and appropriateness of audit evidence
11. Audit considerations relating to entity using a service organisation (ISA 402):
 - (a) Understanding the services provided by a service organisation
 - (b) Responding to assessed risks of material misstatement
 - (c) Type 1 and type 2 reports that exclude the services of a sub-service of an organisation
 - (d) Fraud and non-compliance with laws and obligations
 - (e) Reporting by the user auditor

C. AUDIT TESTING AND PROCEDURES

1. The information technology (IT)/systems audit:
 - (a) Objectives of systems/IT audits
 - (b) Application controls' testing
 - (c) Information technology general controls' (ITGCs) testing
2. Substantive tests/procedures of classes of transactions, account balances, and disclosures
 - (a) Tangible non-current assets and long-term liabilities:
 - (i) Evidence in relation to non-current assets and non-current liabilities
 - (ii) Related income statement disclosures, etc
 - (b) Trade receivables and other receivables:
 - (i) Confirmation and other evidence in relation to receivables
 - (ii) Related income statement disclosures
 - (iii) Other procedures & evidence in relation to inventory
 - (c) Inventory:
 - (i) Counting procedures in relation to year-end and continuous inventory systems

- (ii) Procedures in verification of cut-off and review of consistency of cut-off dates
- (iii) Auditor's attendance at inventory counting; direct confirmation of inventory held by third parties
- (iv) Other procedures & evidence in relation to inventory
- (d) Bank and cash:
 - (i) Bank confirmation reports used in obtaining evidence in relation to bank and cash
 - (ii) Other procedures & evidence in relation to bank and cash
- (e) Payables and accruals:
 - (i) Comprehensive schedule agreeable to the client's existing records
 - (ii) Supplier statement reconciliations and direct confirmation of accounts payable
 - (iii) Other evidence in relation to payables and accruals
 - (iv) Related income statement disclosures
 - (v) Other procedures & evidence in relation to trade payables
- (f) Audit of tax balances; deferred tax asset/liability, income tax recoverable/payable, and income tax charge/credit, with disclosures
- (g) Audit of related party balances & disclosures
- (h) Audit of other account balances e.g. financial instruments, intangible assets, revenue, among others
- 3. Specialised sectors:
 - (a) Banking and credit institutions
 - (b) Telecom companies
 - (c) Insurance companies

D. GROUP AUDITS

1. Scope of ISA 600 (Revised)
2. Matters considered before accepting appointment as group auditor
3. Matters considered and the procedures at the planning stage in relation to the use of work of component auditors

4. Matters specific to planning an audit of group financial statements including:
 - (a) Assessment of group and component materiality
 - (b) Impact of non-coterminous year ends within a group
 - (c) Changes in group structure; complex group structures
5. Communication and content thereof (instructions) to be provided by the group auditor to the component auditor(s)
6. Audit problems and audit procedures specific to:
 - (a) A business combination, including the classification of investments
 - (b) Determination of goodwill and any possible impairment
 - (c) Group accounting policies
 - (d) Intra-group transactions
 - (e) Equity accounting for associates and joint ventures
 - (f) Changes in group structure, including acquisitions and disposals
 - (g) Accounting for foreign subsidiaries
7. Audit risks and procedures in respect to the consolidation process
8. Evaluation of work of the component auditor(s) by the group auditor
9. Responsibilities of the component auditor(s) before:
 - (i) Accepting the engagement or appointment
 - (ii) Commencement of audit
10. Language and cultural differences
11. Emerging markets considerations (laws and regulations, corporate governance practices, potentially higher business risks)
12. Site visits of the group locations by the lead auditor
13. Additional procedures to support timely, accurate two-way communications between the lead auditor and component auditor(s)
14. Joint auditing:
 - (a) Situations that require joint auditing
 - (b) Quality, competition and cost considerations
 - (c) Challenges arising from mandatory audit firm rotation

E. AUDIT FINALISATION

1. Nature and timing of procedures in relation to subsequent events

2. Nature and timing of procedures for ascertaining the appropriateness of the going concern assumption
3. Quantitative and qualitative evaluation of the results and conclusions obtained from assurance procedures
4. Written representations (ISA 580, Revised)
5. Other wrap-up audit procedures; Final analytical reviews, Highlights memo, etc

F. REPORTING

1. Ability to report on an engagement, which is consistent with the results of the terms of agreement
2. Audit or assurance report in relation to a specified organisation
3. Other specific reports to be issued to those responsible for governance:
 - (a) Audit plan
 - (b) Management letter
4. Determine the need for specialist help on some reporting matters, if any
5. Reporting / communicating key audit matters (KAMs) as per ISA 701 (Revised)
6. Consideration of emphasis of & other, matter paragraphs (ISA 706 Revised)
7. Preparation of the auditor's report in line with other applicable auditing standards; ISA 700 (Revised), ISA 705 (Revised), etc.

G. RISK MANAGEMENT FRAMEWORK IN AN ORGANISATION

1. Meaning of risk; risk management framework
2. Risk management framework
 - (a) Purpose
 - (b) Components
 - (i) Risk identification
 - (ii) Risk measurement and assessment
 - (iii) Risk mitigation
 - (iv) Risk reporting and monitoring
 - (v) Risk governance
3. Various risk management frameworks
4. Principles of risk management
5. Evaluation of the effectiveness of the risk management framework

6. Evaluation of the importance of internal control and risk management

H. INTERNAL AUDIT

1. Purpose, authority and responsibility of the internal audit function
2. Managing the internal audit function
3. Internal audit planning
4. Performing internal audit engagements
5. Communicating results of internal audit engagement
6. Quality assurance in internal auditing
7. Internal auditing in the public sector
8. Reliance on work of the internal auditor by the external auditor

I. FORENSIC AUDITS AND INVESTIGATIONS

1. Forensic accounting, forensic investigation, forensic audit and fraud examination:
 - (a) Meaning
 - (b) Investigative work which accountants in practice could be asked to perform
 - (c) Responsibility for detection and prevention of fraud
 - (d) Role of the forensic auditor as an expert witness in court proceedings
2. Application of forensic auditing (fraud, negligence, insurance claims)
3. Back duty investigations:
 - (a) Instigation and auditor's responsibility
 - (b) Information needed at planning stage
 - (c) The laws relating to fraud and individual rights during investigations
 - (d) Collection and preservation of court admissible evidence
4. Fraud and illegal acts
 - (a) Categories of fraud:
 - (i) Corruption
 - (ii) Asset misappropriation
 - (iii) Financial statement fraud
 - (b) Rules of evidence (and how to put up a strong case)
 - (c) Processes to follow if fraud/ illegal acts are suspected: Interviewing, liaising with legal counsel

- (d) Conducting successful fraud and corruption investigations
 - (e) Making testimony in court
 - (f) Prosecution for fraud and corruption cases; consequences
5. Investigative procedures:
- (a) Planning and setting audit objectives
 - (b) Ways of gathering evidence
 - (c) Use of computer-assisted audit techniques
- J. MANAGEMENT OF AN AUDIT FIRM**
1. Scope of International Standard on Quality Management (ISQM 1):
 2. Purpose or Objectives
 3. Elements of Firm's system of quality management
 - (a) Firm's risk assessment process
 - (b) Governance & leadership
 - (c) Relevant ethical requirements
 - (d) Acceptance & continuance of client relationships & specific engagements
 - (e) Engagement performance
 - (f) Resources
 - (g) Information and communication, and
 - (h) The monitoring & remediation process
 4. Quality management procedures and assessment
 5. Marketing professional services:
 - (a) Process of obtaining audit engagements
 - (b) Guidance on marketing professional services
 - (c) Professional fees:
 - (i) Determinants for fee-setting
 - (ii) Bases for fees and commissions
 - (iii) Ethical and professional considerations in establishing and negotiating fees
 6. Other key practice management guidelines and regulations
- K. OTHER ASSURANCE AND NON-ASSURANCE ENGAGEMENTS**
1. Other assurance engagements; Reasonable Vs Limited assurance

2. Common review engagements;
 - (a) Review engagements, in line with ISRE 2400 (Revised)
 - (b) Review engagements, in line with ISRE 2410
 - (c) Review & reporting on prospective financial information, in line with ISAE 3400
3. Common non-assurance engagements:
 - (a) Related services - Agreed-upon procedures engagements, in line with ISRS 4400 (Revised)
 - (b) Related services - Compilation engagements, in line with ISRS 4410 (Revised)
 - (c) Others; preparation of tax returns where no assurance conclusion is expressed, consulting or advisory engagements e.g. management consulting, tax advisory, etc
4. Other one-off non-assurance engagements:
 - (a) Value for money audits: Approach, application, benefits
 - (b) Information technology (IT) audits and electronic commerce (e-commerce):
 - (i) Use of core technologies
 - (ii) Recent trends in IT and their impact on auditors; IT security
 - (iii) Automation of audit processes and its associated challenges
 - (iv) E-commerce and business risk
 - (v) Privacy and security of information for transactions and communications
 - (vi) Principles and criteria underlying web assurance
 - (vii) Reliance on embedded controls
 - (viii) Auditing an IT system
 - (c) Social and environmental audits and integrated reporting:
 - (i) Impact of organisational policies on employees, society and environment
 - (ii) Social and environmental matters: Impact on the company and its financial statements (impairment of assets, provisions and contingent liabilities)
 - (iii) Social and environmental risks: Control by management; auditor's evaluation

- (iv) Non-compliance with laws and regulations: Actions that may be taken by the auditor
- (v) Substantive procedures for detecting possible misstatement in respect of socio-environmental matters
- (vi) Integrated reporting:
 1. Performance measures and sustainability indicators
 2. Difficulties in measuring and reporting on economic, environmental and social performance
 3. Independent verification statement of an integrated report

L. CORPORATE GOVERNANCE

1. Objectives, relevance, importance of corporate governance
2. Provisions of international codes of corporate governance that are most relevant to auditors
3. Good corporate governance requirements relating to directors' responsibilities (for risk management, internal control); reporting responsibilities of auditors
4. Corporate governance deficiencies; compliance with international codes of corporate governance
5. Audit committees: Structure, roles, benefits, limitations

M. EMERGING ISSUES

1. Money laundering and terrorism financing:
 - (a) Meaning
 - (b) Combating money laundering and terrorism financing
 - (c) Criminal offences of money laundering
 - (d) Protection of accountants from criminal and civil liability
 - (e) Ethical guidance on money laundering
 - (f) Accountants' obligations in the prevention and detection of money laundering and terrorism financing
 - (g) Role of an accountant in combating money laundering and terrorism financing
 - (h) Importance of customer due diligence (know your customer-KYC)
 - (i) Suspicious transactions and their impact on reporting
 - (j) Elements of anti-money laundering programmes

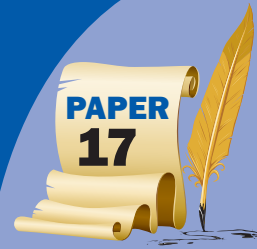
2. Other issues:
 - (a) Current developments in auditing standards
 - (b) Impact of current legal, ethical, professional and practical issues on accountants, auditors, employers and the profession
3. Generally Accepted Auditing Standards (GAAS):
 - (a) Meaning, scope and objectives
 - (b) Comparison of GAAS with ISAs
4. International Standards of Supreme Audit Institutions (ISSAIs) or INTOSAI Auditing Standards for Public Sector Entities as approved by INCOSAI:
 - (a) Meaning, scope and objectives
 - (b) Fundamental auditing principles
 - (c) Comparison of ISSAIs with ISAs

REFERENCES

1. ICPAU, 2022. Auditing and Other Assurance Services, Kampala.
2. Institute of Certified Public Accountants of Uganda, 1997. Code of Ethics.
3. International Auditing and Assurance Standards Board, 2021. Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements, New York, USA.
4. Millichamp A & Taylor J., 2021. Auditing, 12th ed, Andover: Cengage Learning Higher Education

ADVANCED TAXATION

SYLLABUS CHART



Advanced Taxation – Paper 17



Taxation – Paper 11

OVERALL AIM

To equip the learner with skills to manage and advise on tax matters in all sectors of the economy and contribute to tax policy formulation and implementation in Uganda

LEARNING OUTCOMES

On completion of this course, the learner should be able to:

	Learning outcomes	K	C	A	An	S	E
1.	Determine tax liabilities for an individual, partnership and corporate body			✓			
2.	Provide tax planning advice						✓
3.	Demonstrate an understanding of domestic tax laws		✓				
4.	Demonstrate an understanding of customs management and international trade		✓				
5.	Demonstrate an understanding of tax issues relating to international transactions		✓				
6.	Advise on best practice and ethical ways of handling tax matters						✓
7.	Advise on emerging issues in taxation						✓

LEVEL OF ASSESSMENT

The examination will test the learner's comprehension and ability to apply, analyse and evaluate Uganda's tax system and provide tax planning advice as well as adopt best practices when dealing with clients

EXAMINATION STRUCTURE

There will be a three-hour examination made up of sections A and B. Section A will comprise one compulsory question of 50 marks. Section B will comprise three questions of 25 marks each, of which the candidate will be required to attempt any two

DETAILED SYLLABUS

A. TAXATION OF BUSINESS INCOME OF CORPORATE BODIES

1. Introduction: Business/ trade, characteristics of trading, taxation of companies, chargeable income, gross income, year of income, assessed losses, allowable expenses, non-allowable expenses
2. Exempt income and exempt organisations
3. Determination of chargeable income:
 - (a) Methods of accounting
 - (b) General principles of deductibility of expenses
 - (c) Allowable (deductible)/ non-allowable (non-deductible) expenses
 - (d) Treatment of rental income earned by the entity
4. Capital allowances (scope and computation)
 - (a) Depreciation allowances (wear and tear) for depreciable assets and industrial buildings
 - (b) Capital allowances for intangible assets
 - (c) Scientific research expenditure
 - (d) Initial allowance (depreciable assets and industrial buildings)
 - (e) Farm works allowances
 - (f) Allowances for mining/ mineral exploration
 - (g) Start-up costs/ horticultural expenditure/ farm work
5. Treatment of tax losses; carry forward of losses
6. Taxable profits and chargeable income
7. Corporation tax liability

B. TAXATION OF BUSINESS INCOME-INDIVIDUALS

1. Scope of business income of an individual: Gross income, chargeable income
2. Allowable and non-allowable deductions
3. Treatment of rental income earned by an individual
4. Computation of chargeable income and tax payable

C. TAXATION OF PARTNERSHIPS

1. Meaning of partnership
2. Principles behind taxation of partnerships:
 - (a) Residence rules
 - (b) Partnership income
 - (c) Profit appropriation
 - (d) Treatment of partners' salaries, interest on capital and drawings and interest on drawings
 - (e) Partners' loans
 - (f) Contribution of business assets and non-business assets
 - (g) Limited liability partnerships
3. Chargeable income of a partnership
4. Treatment of rental income earned by a partnership
5. Chargeable income and tax liability of partners
6. Tax implications on:
 - (a) Dissolution of partnership
 - (b) Admission of new partners; change in partnership structure

D. EMPLOYMENT INCOME

1. Concept of employment income:
 - (a) Employee versus employer
 - (b) Residence status of an employee
 - (c) Resident employee versus non-resident employee
2. Scope and composition of employment income:
 - (a) Valuation of benefits in kind
 - (b) Taxation of expatriate income
 - (c) Exempt benefits
3. Computation of employment tax liability

E. CAPITAL GAINS TAX

1. Meaning and scope of capital gains tax:
 - (a) Business assets
 - (b) Cost base of an asset

- (c) Disposal of an asset:
 - (i) Gain or loss on disposal
 - (ii) Cost base of a non-arms-length disposal
 - (iii) Part disposal, disposal by exchange, disposal by way of gift, deemed disposal
 - (iv) Disposal under non-arms-length transactions
 - (v) Non-recognition of gain or loss
- 2. Transitional provisions regarding capital gains tax:
 - (a) Market value of property as at 31 March 1998
 - (b) Value of property by the chief government valuer
 - (c) Cost base of an asset under certificate of incentives
- 3. Computation of capital gains tax on various disposals
- 4. Tax planning and capital gains tax

F. TAXATION OF GROUP COMPANY RE-ORGANISATIONS:

- 1. Rollover relief
- 2. Tax aspects under corporate:
 - (a) Organisation
 - (b) Re-organisation
 - (c) Liquidation

G. WITHHOLDING TAX (WHT)

- 1. Withholding agents
- 2. Circumstances under which WHT is a final tax; implications of taking withholding tax as a final tax
- 3. Determination of WHT on various payments
- 4. Payment of amount of tax withheld

H. VALUE ADDED TAX (VAT)

- 1. Meaning and scope of VAT
 - (a) Types of supplies: Zero rated, exempt, standard rated and deemed VAT
 - (b) Tax point/ time of supply
 - (c) Place of supply rules

2. Treatment of the following under output VAT:
 - (a) Bad debts
 - (b) Returned goods
 - (c) Discounts
 - (d) Withheld VAT
3. Input VAT:
 - (a) Disallowed input VAT
 - (b) Time limit of claim for input VAT
4. VAT on imported services
5. Credit of input VAT
 - (a) Input tax apportionment; methods of apportionment of input tax
 - (b) Input tax claimable/ non-claimable
 - (c) VAT refund procedures
6. Methods of accounting for VAT (cash basis versus invoice basis)
7. VAT records: Tax invoices, credit notes, debit notes
8. VAT computation

I. OFFENCES AND PENALTIES

1. Under the Income Tax Act
2. Under the VAT Act
3. Under the Tax Procedures Code Act
4. Under the East African Customs Management Act

J. OBJECTIONS AND APPEALS

1. Meaning of appeals and objections
2. Procedures of appeals/ objections for:
 - (a) Income tax
 - (b) Value added tax
 - (c) Excise duty under Tax Procedures Code Act and East African Customs Management Act
3. Taxpayer's rights and obligations
4. Appeals procedure: Tax Appeals Tribunal, High Court

K. INTERNATIONAL TAXATION

1. International taxation concepts/ rules of source and residence

2. Taxation of branches:
 - (a) Principles
 - (b) Branch profits and tax on repatriated income
3. Taxation of international payments:
 - (a) Technical fees
 - (b) Professional fees
 - (c) Management fees
 - (d) Interest on foreign loans
 - (e) Other international payments
4. Double taxation treaties:
 - (a) Objectives
 - (b) The treaties
 - (c) Advantages and disadvantages
5. Tax relief under international taxation:
 - (a) Unilateral agreements
 - (b) Bilateral agreements
 - (c) Multilateral agreements
 - (d) Different types of tax reliefs
6. International agreements: Statutory provisions under the Organisation for Economic Cooperation and Development (OECD) and United Nations Model treaties
7. Priority rule versus anti-treaty shopping rule
8. Dispute resolution mechanisms

L. TAX ANTI-AVOIDANCE RULES

1. Transactions between associates:
 - (a) Meaning
 - (b) Implications on the taxation of multinational organisations
2. Commissioner's powers regarding non-arms-length transactions
3. Re-characterisation of income and deductions between associates by the Commissioner
4. Limitation of interest deduction provisions under S 25 of the Income Tax Act

5. Transfer pricing:
 - (a) Introduction and key terminologies
 - (b) Factors affecting comparability
 - (c) Transfer pricing methods
 - (d) Advance pricing agreements
 - (e) Transfer pricing documentation
 - (f) Transfer pricing audit focus areas
 - (g) Transfer pricing and tax risk management
6. Dividend stripping provisions

M. TAXATION OF PETROLEUM OPERATIONS

1. Scope and key terminologies
2. General principles related to taxation of contractors and sub-contractors
3. Limitation on deductions
4. Allowable contract expenditure and unrecoverable costs
5. Taxation of farm outs
6. Decommissioning: Reserve costs, expenditure:
 - (a) Definition
 - (b) Concepts of decommissioning; tax aspects relating to decommissioning
7. Withholding tax
8. Tax accounting principles
9. Returns
10. Credits under petroleum agreements
11. Collection and recovery
12. Tax offences and penalties

N. TAX PLANNING

1. Meaning
2. Key areas:
 - (a) Structure of business set up
 - (b) Choice of business location
3. Other tax planning areas under income tax, VAT, excise duty, customs tax, capital gains tax

O. EXCISE DUTY

1. Introduction and the concept of excise duty

2. Key terminologies: Tax point, excisable value of goods/ services, excise duty rates
3. Registration/ licensing for excise duty
4. Licensee obligations: Return filing, records keeping, payment of tax
5. Excise duty refunds
6. Examples of excisable supplies and duty rates
7. Excise duty exemption
8. Storage of excisable goods after manufacture
9. Current developments for example digital stamps
10. Offences and penalties

P. CUSTOMS MANAGEMENT AND PROCEDURES

1. Introduction
2. Trading blocs
3. Duty drawback: Meaning, claims, documentation
4. Export processing zone (EPZ):
 - (a) Meaning
 - (b) Removal of goods from an EPZ
 - (c) Designation of goods
5. Prohibitions and restrictions under customs management:
 - (a) Powers to prohibit
 - (b) Restricted goods; reasons for restriction
 - (c) Exemptions of goods in transit
6. Customs offences, seizures, forfeitures, penalties; settlement of penalties
7. Transitional arrangements under customs management:
 - (a) Meaning of:
 - (i) International tariffs
 - (ii) Common external tariffs
 - (iii) Common internal tariffs
 - (iv) Zero tariffs
 - (b) Rules of origin:
 - (i) Meaning
 - (ii) Criteria used in determining rules of origin
 - (iii) Exceptions to the rules of origin criteria

- (iv) Tax treatment of goods deemed to originate from partner states as per the East African Customs Union
- 8. Customs valuation and computation of duty
- 9. Importance of international customs organisations:
 - (a) Common Markets for East and Southern Africa
 - (b) Southern African Development Community
 - (c) World Trade Organisation
 - (d) United Nations (UN) Model treaty

Q. CURRENT DEVELOPMENTS IN TAXATION

- 1. E-tax:
 - (a) Registration, filing, assessment, payment
 - (b) Digital stamps and electronic fiscal receipting and invoicing systems (EFRIS)
- 2. Challenges of the digital economy (e-commerce)

R. ETHICS

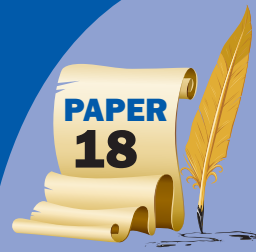
- 1. Dealing with tax issues ethically
- 2. Ethical challenges that may be encountered when carrying out tax work
- 3. Importance of acting with integrity
- 4. Consequences of tax avoidance

REFERENCES

- 1. ICPAU, 2022. Advanced Taxation, Kampala.
- 2. Government of Uganda, by Uganda Printing and Publishing Corporation:
 - (a) Income Tax Act, Cap 340
 - (b) Value Added Tax Act, Cap 349
 - (c) Excise Duty Act, 2018
 - (d) East African Customs Management Act
 - (e) The Tax Procedures Code Act
- 3. Joseph O. O., Current year. Domestic & International Taxation in Uganda, Kampala Uganda.
- 4. Oats L., 2021. Principles of International Taxation, 8th ed, London, UK: Bloomsbury.

LEVEL IV

INTEGRATION OF KNOWLEDGE



OVERALL AIM

To equip the learner with skills to integrate the knowledge and skills acquired across the syllabus and to provide professional solutions

LEARNING OUTCOMES

On completion of this course, the learner should be able to:

	Learning outcomes	K	C	A	An	A	E
1.	Develop integrated professional solutions to entity problems						✓
2.	Exercise skills in judgement and analysis of complex issues					✓	
3.	Advise on corporate governance, risk, control and ethical issues						✓
4.	Evaluate current and emerging issues affecting entities and the accountancy profession						✓
5.	Apply knowledge and skills acquired to communicate business solutions to a wide range of users					✓	

LEVEL OF ASSESSMENT

The examination will test the learner's evaluation, analytical, synthetic, presentation, ethical, professional and communication skills

EXAMINATION STRUCTURE

There will be a six-hour examination comprising one compulsory case study-based question

SYLLABUS CONTENT

A. ACCOUNTANCY AND BUSINESS STRATEGY

1. Business strategy
2. Financial planning and management
3. Marketing
4. Audit and assurance services
5. Information, communication and technology
6. Performance management and evaluation
7. Tax planning, management and advisory

B. GOVERNANCE, RISK, CONTROL AND ETHICS

1. Human resource management
2. Governance
3. Legal and regulatory framework
4. Risk assessment and management
5. Professional and business ethics

C. CURRENT AND EMERGING ISSUES

1. Integrated thinking and reporting
2. Economic integration and globalisation
3. Block chain technologies
4. Sustainability reporting
5. Any other emerging issues

D. PROFESSIONAL SKILLS

1. Communication, including language, style, diction, grammar and handwriting
2. Presentation
3. Analysis
4. Judgement and decision making

REFERENCES





1. ICPAU, 2022. Integration of Knowledge, Kampala

Note: Materials at lower levels, professional journals, newspapers are good references for this paper

CERTIFIED PUBLIC ACCOUNTANTS OF UGANDA

EXAMINATION SYLLABUS 2023

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