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Welcome to the ICAS syllabus for 2017-18

ICAS is the world’s first professional body of accountants, receiving its Royal Charter in 1854. It was the first to adopt the designation “Chartered Accountant” and the designatory letters “CA” are still an exclusive privilege in the UK for Members of ICAS.

ICAS has over 21,000 CA Student Members and Members worldwide who work in a variety of areas such as industry, public practice and the financial sector. ICAS takes great pride in the knowledge that some of the most prominent and successful leaders in industry and the accounting profession are Members of ICAS.

Uniquely within the UK, ICAS designs, delivers and examines the qualification. This encompasses everything from developing and setting the syllabus on an annual basis to preparing the course materials, lecturing, setting and marking certain of the exams. The CA Qualification is recognised at the highest level both in the UK and internationally. ICAS is recognised under the UK Companies Act as a Recognised Qualifying Body.

In 2014, ICAS was recognised by the Scottish Credit and Qualifications Framework (SCQF) Partnership as a Credit Rating Body which along with colleges and universities allows ICAS to make its own credit rating decisions about the qualifications it offers. To become a Credit Rating Body, ICAS had to demonstrate that it had robust quality assurance processes and a rigorous approach to qualifications development and credit rating. As part of this exercise each individual element of the CA Qualification was credit rated assigning credit levels and credit values on the framework. Overall the CA Qualification was credited rated at SCQF Level 11 (sitting at the same level as a Masters degree). On the European Qualifications Framework, this equates to a level 7 qualification. The CA Qualification has a total of 480 SCQF Credit Points. Note: The SCQF Framework has 12 Levels. The complexity of learning increases from Level 1 through to Level 12.

The CA qualification is comprised of 11 technical subjects and examinations along with business ethics, training contract and work experience requirements.

The objective of Test of Competence (TC) is to provide CA Students with basic concepts and knowledge in core areas of accountancy, finance, law, auditing and taxation to enable CA students to progress on to later levels.

The objective of Test of Professional Skills (TPS) is to equip CA Students with the practical skills in core areas necessary for an entry level professional accountant. This requires the development of an understanding of relevant concepts, principles and techniques, the ability to apply these in realistic settings and the exercise of judgment in selecting and advising on the most appropriate treatment. The TPS examinations test both the understanding and the application of these skills and techniques.

Test of Professional Expertise (TPE) brings together the knowledge, skills and techniques acquired at TC and TPS along with new topics introduced at TPE in order to provide professional advice to business people in real life situations. The CA Student needs to be able to use their knowledge to analyse a given problem, and, from that analysis, form and explain an acceptable professional judgment in a given situation. The CA Student also needs to be able to present information in a clear and logical format and to prioritise communication such that it addresses the major issues from both an objective professional viewpoint and the specific viewpoint and background of the reader. The TPE case study tests both the understanding and the application of these skills and techniques.
The ICAS syllabus 2017-18

**YEAR 1** The Test of Competence (TC): Acquisition of knowledge base

**YEAR 2** The Test of Professional Skills (TPS): Development of practical skills

**YEAR 3** The Test of Professional Expertise (TPE): Judgment and application of expertise

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**Test of Competence (TC)**

- Business Law
- Business Management
- Finance
- Financial Accounting
- Principles of Auditing and Reporting
- Principles of Taxation

**Test of Professional Skills (TPS)**

- Advanced Finance
- Assurance and Business Systems
- Financial Reporting
- Taxation

**Test of Professional Expertise (TPE)**

- Multi-discipline case study

---

**Business Ethics**

Ethics is included within the appropriate subject areas at Test of Competence, Test of Professional Skills and Test of Professional Expertise. Ethical content can be identified within the syllabus content by the presence of an ‘(BE)’. In addition, Business Ethics forms a stand alone subject and assessment.
Syllabus and Learning Outcomes

The syllabus for the CA qualification is designed in such a way to ensure that on completion of the CA qualification, the newly qualified CA will have developed the necessary technical knowledge and skills combined with professional skills in judgment, analysis, communication and presentation to deal with a wide variety of complex and often unpredictable issues and situations. The development of these technical and professional skills will also enable the newly qualified CA to formulate and communicate professional solutions which are appropriate to the circumstances. In addition, the newly qualified CA will have developed the necessary professional and ethical values to deal with and make informed judgments on complex, ethical and professional issues.

The requirements for the CA qualification are set out in the CA syllabus in the form of learning outcomes. Learning outcomes are statements that identify what an individual will know or be able to do as a result of a learning activity within a subject and are usually expressed in terms of knowledge, skills or attitudes. The learning outcomes establish the breadth and depth of knowledge required for each of the subjects and are set in such a way as to ensure as a CA student progresses through the qualification they develop the depth and breadth of the required knowledge and skills.

The learning outcomes for the CA qualification are organised into six hierarchical levels and 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:

**Level & Meaning**

**Knowledge (K):**
Remembering of previously learned material (recall of facts).

**Comprehension (C):**
Demonstrate understanding of facts and ideas by organising, comparing, translating, interpreting, giving descriptions and stating main ideas.

**Application (A):**
Use new knowledge. Solve problems to new situations by applying acquired knowledge, facts, techniques and rules in a different way.

**Analysis (An):**
Examine and break information into parts by identifying motives or causes. Make inferences and find evidence to support generalisation.

**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 for a given purpose.
Test of Competence
SCQF Level 9

The syllabus applies to examinations scheduled for the period September 2017 to August 2018

Business Law
On completion of this course students will be able to:

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</table>

Syllabus coverage

INTRODUCTION TO LAW
- Role and nature of law
- Sources of law
- EU Law
- Human Rights Act
- The UK courts

FORMATION OF COMPANIES
- Nature, function and classification of companies
- Corporate personality
- Formation procedure
- Company’s constitution and its effect
- Minority protection

ADMINISTRATION OF THE COMPANY
- Role and responsibilities of company officers (BE)
- Bribery Act 2010 (BE)
- Meetings, resolutions and records

SHARE AND LOAN CAPITAL
- Types, features and classes of share capital
- Charges – fixed and floating
- Capital maintenance

CONTRACT LAW
- Types, terms and construction of contracts
- Essential elements of a valid contract (BE)
- Restrictive covenants: common law and statutory rules
- Breach of contract and remedies (BE)
- Partnership
- Agency
- Electronic contracts
- Employment law

NEGLIGENCE
- The meaning of negligence (BE)
- Duty of care and breach of duty of care (BE)
- Causation and remoteness of damage
- Defences
- Vicarious liability

(BE) = Business Ethics
Business Management

On completion of this course students will be able to:

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<tbody>
<tr>
<td>1.</td>
<td>Describe organisational structures</td>
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<tr>
<td>2.</td>
<td>Describe marketing and associated business processes</td>
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<tr>
<td>3.</td>
<td>Describe the features and uses of business information</td>
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<tr>
<td>4.</td>
<td>Calculate cost information for business planning and control</td>
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<td>5.</td>
<td>Explain pricing strategies and calculate unit prices</td>
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<tr>
<td>6.</td>
<td>Explain the processes associated with the development and implementation of business strategies</td>
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<tr>
<td>7.</td>
<td>Apply the principles and procedures involved in managing working capital</td>
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<tr>
<td>8.</td>
<td>Explain the principles of budgeting and prepare budgets and forecasts</td>
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<tr>
<td>9.</td>
<td>Apply appropriate quantitative techniques to financial and non-financial data</td>
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<tr>
<td>10.</td>
<td>Calculate contribution to aid decision making</td>
<td></td>
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<tr>
<td>11.</td>
<td>Calculate performance of products and business segments</td>
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</tbody>
</table>

Syllabus coverage

**ORGANISATIONAL STRUCTURES**
- Types of organisational structures
- Goals and objectives (BE)

**MARKETING**
- Marketing mix
- Market analysis
- Market distribution
- Product life cycle

**BUSINESS INFORMATION**
- Internal information systems
- Third party information sources
- Data analytics, Big Data

**COST ACCOUNTING**
- Cost and management accounting systems
- Classification of costs
- Accounting for direct costs and overheads
- Cost allocation and apportionment
- Costing techniques
- Variance analysis

**PRICING STRATEGIES**
- Influences on pricing and pricing decisions (BE)

**BUSINESS STRATEGY**
- Strategy formulation
- Trading and operational strategies (BE)
- Business improvements

**BUDGETARY PLANNING & CONTROL**
- Budgeting technique theory
- Behavioural aspects of budgeting (BE)
- Preparation of budgets
- Forecasting

**QUANTITATIVE TECHNIQUES**
- Planning and control
- Regression analysis
- Statistical techniques

**CONTRIBUTION ANALYSIS**
- Cost volume profit
- Contribution and breakeven
- Limiting factors (BE)

**PERFORMANCE MEASUREMENTS**
- Business unit performance assessment
- Non-financial indicators (BE)

(BE) = Business Ethics
## Finance

On completion of this course students will be able to:

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<tbody>
<tr>
<td>1. Explain the financial environment within which an organisation functions</td>
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<tr>
<td>2. Apply an understanding of the structure of the UK equity and debt markets and its financial system to practical situations</td>
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<td>3. Apply the major capital market models to practical situations</td>
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<td>4. Prepare data used in financial analysis</td>
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<td>5. Prepare plans and forecasts for an organisation</td>
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<td>6. Calculate investment returns from competing projects</td>
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<td>7. Explain the fundamentals of micro and macroeconomics</td>
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<td>8. Describe the organisations, products and market transactions that comprise the UK financial services sector</td>
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### Syllabus coverage

**FINANCIAL ENVIRONMENT**
- External financial environment
- Internal finance strategies
- Financial services sector

**UK EQUITY & DEBT MARKETS AND FINANCIAL SYSTEM**
- Sources of finance
- Institutional investors
- Types of securities and valuation
- Markets for securities (BE)
- Financial products

**CAPITAL MARKET MODELS**
- Efficient markets
- Capital asset pricing model
- Cost of capital calculation
- Traditional and Modigliani-Miller theories
- Portfolio theory

**FINANCIAL ANALYSIS**
- Stock exchange indicators (BE)
- Ratio analysis – appropriate to a range of business sectors
- Present value techniques
- Cash flow projections
- Profit projections
- Reconciliation of cash flow and profit projections
- Components of business plans

**PLANS AND FORECASTS FOR AN ORGANISATION**
- Cash flow projections
- Profit projections
- Reconciliation of cash flow and profit projections
- Components of business plans

**INVESTMENT RETURNS FROM COMPETING PROJECTS**
- Payback
- Accounting rate of return
- Net present value
- Internal rate of return
- Capital rationing
- Uncertainty, risk and probability

**FUNDAMENTALS OF MICRO AND MACROECONOMICS**
- Microeconomic theory (BE)
- Macroeconomic theory (BE)

(BE) = Business Ethics
Financial Accounting
On completion of this course students will be able to:

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Syllabus coverage

INTRODUCTION TO THE CORPORATE REPORTING FRAMEWORK
- Framework for the preparation and presentation of financial statements
- Elements of financial statements, recognition and measurements (BE)
- The Companies Act – reporting requirements
- The role of accounting standards, UK and International
- Stock market influences

PREPARATION OF FINANCIAL STATEMENTS
- Trial balance extraction
- Sole trader, partnerships and limited companies under international formats
- Statement of cashflows

RECORDING TRANSACTIONS
- The accounting equation and double entry
- Books of prime entry and the nominal ledger
- Correction of errors and incomplete Records (BE)

BUSINESS STRUCTURES AND ACCOUNTING REQUIREMENTS
- Sole trader
- Partnership
- Private company
- Public company
- Not-for-profit organisations
- UK statutory format
- International accounts formats
- Form of the notes to the accounts
- Historical development of accounts
- Other primary statements

FUNDAMENTAL ACCOUNTING CONCEPTS
- The reporting entity
- The profit and loss account and balance sheet
- Measurement and recognition (BE)
- Accrual concept
- Prudence principle (BE)

CONTROL TECHNIQUES
- Computerised accounting packages
- Bank reconciliations
- Use of the trial balance

(BE) = Business Ethics
### Principles of Taxation

On completion of this course students will be able to:

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<tbody>
<tr>
<td>1.</td>
<td>Describe the UK tax system and its role, and the role of HMRC</td>
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<td>2.</td>
<td>Explain the impact of tax legislation, the courts, case law and precedence</td>
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<td>3.</td>
<td>Identify the key UK tax administration rules</td>
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<td>4.</td>
<td>Calculate a tax-adjusted trading profit or loss</td>
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<td>5.</td>
<td>Calculate property income for an individual or company</td>
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<td>6.</td>
<td>Calculate a basic chargeable gain or capital loss</td>
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<td>7.</td>
<td>Calculate a basic income tax, corporation tax, capital gains tax, VAT and NIC liability</td>
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<td>8.</td>
<td>Explain the key principles and administration of VAT</td>
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<td>9.</td>
<td>Explain the different classes of UK NIC and how these are collected</td>
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<td>10.</td>
<td>Explain when stamp taxes, land and buildings transaction tax and environmental taxes/reliefs will apply</td>
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<td>11.</td>
<td>Calculate a basic stamp tax, land and buildings transaction tax and environmental tax/relief.</td>
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<td>12.</td>
<td>Describe the way in which a tax adviser will adopt best practice and act ethically when dealing with clients and HMRC</td>
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### Syllabus coverage

#### UK TAX SYSTEM
- Direct and indirect taxes
- Role of tax system within the economy
- Devolved taxes
- Role of HMRC
- Role of tax adviser
- Precedence
- UK court structure
- Use of case law
- Statute and other sources of law
- Residence and domicile

#### ADMINISTRATION
- Self-assessment system
- Apprenticeship levy
- Operation of PAYE system
- Making Tax Digital
- Capital taxes administration
- VAT system
- Collection of taxes
- Penalty for non-compliance
- Customs tariffs

#### TAX-ADJUSTED PROFIT/LOSS
- Badges of trade
- Adjustment of profits
- Plant and machinery allowances

#### NATIONAL INSURANCE
- Classes and collection

#### PROPERTY INCOME
- Basic principles
- Capital expenditure
- Lease premiums
- Losses

#### CHARGEABLE GAIN/LOSS
- Computing a basic gain/loss
- Exempt assets
- Indexation for companies
- Rebasing to 1982 individuals
- Spousal transfers
- Enhancement expenditure
- Disposals of residential property
- Part disposals
- Chattels
- Leasehold disposals
- Share disposals – individuals

#### INCOME TAX LIABILITY
- Basic calculation
- Different sources of income
- Treatment of interest
- Treatment of UK dividends
- Exempt income
- Rates of taxation
- Payments on account

#### CAPITAL GAINS TAX LIABILITY
- Application of annual exemption
- Rates of tax
- Use of losses

#### CORPORATION TAX LIABILITY
- Chargeable Accounting Periods
- Calculation of taxable profits
- Loan relationships

#### VALUE ADDED TAX
- Basic principles
- Registration
- Returns and payments

#### STAMP TAXES
- Taxes and rates

#### ENVIRONMENTAL TAXES AND RELIEFS
- Taxes and rates
- Reliefs and rates

#### ETHICS AND PROFESSIONAL CONDUCT
- Principles of best practice (BE)
- Tax avoidance, evasion and planning (BE)
- Disclosure of tax avoidance (BE)
- Meeting legal requirements (BE)
- Ethical considerations (BE)
- UK GAAR and anti-avoidance

(BE) = Business Ethics
### Principles of Auditing & Reporting

On completion of this course students will be able to:

<table>
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<tr>
<th></th>
<th>Explain the role and nature of corporate governance in an organisation, including the way in which an organisation is directed and controlled through business processes</th>
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<td>2.</td>
<td>Explain the need for, nature of and requirement for third party assurance</td>
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<td>3.</td>
<td>Explain the role and responsibilities of the external auditor</td>
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<td>4.</td>
<td>Describe the regulatory framework of auditing and financial reporting in the UK</td>
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<td>5.</td>
<td>Apply the FRC’s Ethical Standard and other relevant ethical guidance to audit and assurance engagements</td>
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<td>6.</td>
<td>Explain the audit process and apply the principles of collecting and assessing evidence in accordance with the ISAs</td>
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</tbody>
</table>

### Syllabus coverage

**CORPORATE GOVERNANCE**
- Corporate governance guidance
- Business processes
- Components of internal control
- IT systems and controls
- Internal audit

**THIRD PARTY ASSURANCE**
- Elements of assurance engagements
- Requirement for audit
- Requirements to become a statutory auditor

**ROLE AND RESPONSIBILITIES OF THE EXTERNAL AUDITOR**
- The Companies Act 2006 (BE)
- The auditor’s duty of care (BE)
- Legal liability and professional negligence
- Money laundering legislation (BE)

**REGULATORY FRAMEWORK**
- The Financial Reporting Council
- Recognised Supervisory and Qualifying Bodies
- The International Auditing and Assurance Standards Board
- The International Accounting Standards Board

**ETHICS**
- The FRC’s Ethical Standard (BE)
- The ICAS Code of Ethics (BE)
- The Sarbanes-Oxley Act 2002 (BE)

**AUDIT PROCESS**
- Overview of the audit process
- Audit methodology in line with the International Standards on Auditing (UK)
- Fundamental concepts
- Collecting and assessing evidence
- The risk-based approach
- Acceptance and continuance procedures (BE)
- Planning and understanding the entity
- Fraud
- Risk of material misstatement
- Materiality
- Systems and controls analysis
- Substantive testing
- Assertions
- Completion procedures
- Going concern
- Subsequent events
- Reporting
- Engagement and client management
- Quality control

(BE) = Business Ethics
Test of Professional Skills

SCQF Level 11

This syllabus applies to examinations scheduled for calendar year 2018. It is the responsibility of candidates to ensure that their knowledge and skills are up to date. Test of Competence learning outcomes are assumed knowledge for Test of Professional skills.

### Advanced Finance

On completion of this course students will be able to:

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<tbody>
<tr>
<td>1.</td>
<td>Evaluate the plans, actions and financial positions of clients</td>
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</tr>
<tr>
<td>2.</td>
<td>Advise clients on relevant sources of finance and funding methods</td>
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<tr>
<td>3.</td>
<td>Advise on investment products suitable for companies</td>
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<tr>
<td>4.</td>
<td>Advise on the corporate debt market bank functions, debt instruments and the principles of loan documentation</td>
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<tr>
<td>5.</td>
<td>Advise clients on corporate restructuring situations, company valuations, mergers and acquisitions</td>
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<tr>
<td>6.</td>
<td>Explain the forms of corporate insolvency including preparation of a statement of affairs</td>
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<tr>
<td>7.</td>
<td>Analyse the nature, purpose, cost and regulation of equity and the accountant’s role in raising equity</td>
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<td>8.</td>
<td>Analyse the use of derivatives in managing risk</td>
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<tr>
<td>9.</td>
<td>Explain the impact of government policy and regulation on financial situations</td>
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<tr>
<td>10.</td>
<td>Integrate the Code of Ethics within the framework of finance</td>
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<tr>
<td>11.</td>
<td>Analyse the treasury management function</td>
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</table>

### Syllabus coverage

**SHORT AND MEDIUM TERM FINANCIAL MANAGEMENT**
- Cash flow forecasts and working capital management
- Money markets
- Trade and export finance
- Risk management
- Bank covenants
- Banks and bank credit
- Loan documentation

**LONG TERM FINANCIAL POLICY**
- Capital structure
- Cost of capital
- Dividend decisions
- Raising finance
- Corporate debt securities
- Financial strategy (BE)

**COMPANY RESTRUCTURING, VALUATIONS, MERGERS AND ACQUISITIONS**
- Reconstructions
- Valuation of business interests
- Mergers and acquisitions strategy (BE)
- Benefits to shareholders

**INSOLVENCY**
- Forms of insolvency
- Preparation and use of the Statement of Affairs
- Directors duties (BE)

**EQUITY MARKETS**
- Stock exchange regulation and reporting
- Issue of shares
- Role of the accountant and other intermediaries

**ANALYSIS OF FINANCIAL STATEMENTS**
- Ratio analysis (BE)
- Financial distress (BE)

**DERIVATIVES – SWAPS, FORWARDS, FUTURES AND OPTIONS**
- Derivatives market
- Definitions and terminology
- Interest rate and currency risk management
- Risks associated with derivatives

**IMPACT OF NATIONAL ECONOMIC POLICY AND REGULATORY ENVIRONMENT**
- Fiscal and monetary policy
- Financial impact
- Business impact
- Business and sustainability
- Regulation of financial services

**TREASURY MANAGEMENT**
- The Treasury function

(BE) = Business Ethics
### Assurance & Business Systems

On completion of this course students will be able to:

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<tbody>
<tr>
<td>1.</td>
<td>Plan the audit of statutory financial statements in accordance with applicable standards, including audit evidence collection procedures</td>
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<tr>
<td>2.</td>
<td>Evaluate, in accordance with applicable standards and taking into consideration audit risk and the effectiveness of internal control procedures, findings from the planning and interim stages of the assurance engagements</td>
<td></td>
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<tr>
<td>3.</td>
<td>Evaluate in accordance with applicable standards and taking into consideration the results of substantive procedures and the impact of audit misstatements on the audit opinion, findings from the final stages of assurance engagements</td>
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<tr>
<td>4.</td>
<td>Advise on the application of relevant provisions of ethical standards, legislation and professional guidance including assurance engagements and related engagements</td>
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<td>5.</td>
<td>Advise on business risk and related governance and risk control frameworks</td>
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<tr>
<td>6.</td>
<td>Advise on design of business systems and controls to effectively manage risks affecting business and financial reporting processes</td>
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</table>

### Syllabus coverage

**THE ASSURANCE PROCESS**
- Non statutory assurance and related engagements
- Acceptance and continuance including ethical issues (BE)
- Documentation and quality control
- Planning and understanding the entity
- Risk of material misstatement (BE)
- Materiality
- Selection of items for testing
- Control risks and testing
- Stocktakes
- Substantive testing
- Data analysis
- Professional scepticism (BE)
- Completion
- Reporting (BE)
- Audit opinions and the expanded audit report
- Group engagements
- Fraud (BE)
- Going concern
- Reliance on internal audit
- Service organisations
- Use of experts
- Related parties
- Laws and regulations

**BUSINESS RISK**
- Strategic risk
- Financial risk
- Operational risk
- Solvency and liquidity risk
- Compliance risk

**CONTROL ENVIRONMENT AND BUSINESS SYSTEMS**
- Corporate governance (BE)
- Corporate social responsibility and sustainability (BE)
- Risk assessment and control frameworks
- Internal audit

**REGULATION AND REPORTING**
- Standards and guidance (BE)
- Ethical standards and code of ethics (BE)
- Corporate Social Responsibility reporting
- Integrated reporting
- Current issues in the audit profession

**DIGITAL AND TECHNOLOGY**
- Ecommerce risks and controls
- IT General controls
- Application controls
- Big data
- Data analytics: Impact on the audit

(BE) = Business Ethics
Financial Reporting

On completion of this course students will be able to:

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<tbody>
<tr>
<td>1.</td>
<td>Recommend the appropriate accounting treatment under International Financial Reporting Standards to account for specific transactions</td>
<td></td>
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<tr>
<td>2.</td>
<td>Prepare journal entries, with supporting calculations, to account for a range of transactions in accordance with any relevant guidance on accounting treatment</td>
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<tr>
<td>3.</td>
<td>Construct financial statements for an individual company</td>
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<tr>
<td>4.</td>
<td>Construct financial statements for a group including joint ventures and associates</td>
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<tr>
<td>5.</td>
<td>Construct appropriate disclosures for inclusion within the annual report and accounts</td>
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<tr>
<td>6.</td>
<td>Consider international and UK accounting requirements for a range of companies</td>
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Syllabus coverage

ACCOUNTING FOR BUSINESS TRANSACTIONS
- Revenue recognition (BE)
- Property, plant and equipment
- Intangible non-current assets (BE)
- Investment properties
- Financial instruments
- Inventories (BE)
- Current taxation
- Deferred taxation
- Provisions, contingent liabilities and contingent assets (BE)
- Employee benefits
- Leases (BE)
- Share capital
- Impairment reviews (BE)
- Events after the reporting period (BE)
- Share-based payments
- Borrowing costs
- Specialised transactions
- Distributable profits

INDIVIDUAL COMPANY FINANCIAL STATEMENTS
- Double entry bookkeeping
- Financial statement preparation:
  - Profit or loss and OCI
  - Financial position
  - Cash flows
  - Changes in equity
  - Accounting standards
  - Information contained within disclosure notes (BE)

GROUP FINANCIAL STATEMENTS
- Principles of consolidation
- Acquisition of subsidiaries
- Disposal of subsidiaries
- Adjustments for internal balances and transactions
- Foreign subsidiaries
- Accounting for associates and joint ventures
- Group financial statement preparation
- Accounting standards
- Information contained within disclosure notes
- Interest in other entities (BE)

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES
- Accounting principles and IASB framework
- Current developments

FINANCIAL COMMUNICATION
- Statutory requirements
- Strategic & interim report
- Corporate and social reporting
- Interim report

ACCOUNTING REQUIREMENTS
- FRS 100-102
- FRS 102 section 1A and FRS 105
- Companies Act requirements

(BE) = Business Ethics
**Taxation**

On completion of this course students will be able to:

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<tbody>
<tr>
<td>1. Explain the key aspects of the administration of the tax system</td>
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<tr>
<td>2. Advise on an individual’s income tax liability</td>
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<tr>
<td>3. Advise on chargeable gains for individuals and companies</td>
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<tr>
<td>4. Advise on a company’s tax liability</td>
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<tr>
<td>5. Advise on the VAT implications of the transactions of a business</td>
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<td>6. Advise on the inheritance tax implications of transfers on death</td>
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<tr>
<td>7. Advise on the taxation and ethical implications of common business transactions</td>
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<td>8. Apply sections of UK tax legislation to the transactions of a business</td>
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**Syllabus coverage**

**INTRODUCTION TO TAX**
- Administration of tax
- Self assessment
- Statute and other sources
- Penalties for non-compliance
- Collection of taxes

**PRINCIPLES OF COMPUTING TRADING INCOME**
- Current year basis of assessment
- Trading profit/loss calculation

**INCOME TAX**
- Employment income and benefits
- Losses
- Deductions and charitable giving
- Partnerships
- Investments
- Other income
- Basic personal tax planning (BE)
- Personal allowances
- Purchase of own shares

**CHARGEABLE GAINS**
- Computational principles
- Relief and exemptions
- Losses
- Planning advice (BE)

**CORPORATION TAX**
- Taxable profits and rates
- Transfer pricing
- Losses
- Groups
- Basic tax planning (BE)
- Base erosion and profit sharing, BEPS

**VAT**
- Taxable persons and registration
- Accountability and enforcement
- Input VAT recovery
- VAT schemes
- Errors and enforcement
- Groups
- Partial exemption
- Land and buildings

**INHERITANCE TAX**
- Death estate
- Reliefs and exemptions
- Basic planning advice (BE)

**OTHER TAXATION ISSUES**
- National Insurance
- Stamp taxes/land and building transactions
- Professional and ethical conduct (BE)
- Customs tariffs

(BE) = Business Ethics
Test of Professional Expertise

SCQF Level 11

This syllabus applies to examinations scheduled for May 2018 and November 2018. Test of Competence and Test of Professional Skills learning outcomes are assumed knowledge for Test of Professional Expertise. It is the responsibility of candidates to ensure that their knowledge and skills are up to date.

Test of Professional Expertise

On completion of this course students will be able to:

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<tbody>
<tr>
<td>1.</td>
<td>Critically appraise complex business performance data using appropriate technical skills and knowledge, including the use of theoretical models, covering the main areas of accountancy</td>
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<tr>
<td>2.</td>
<td>Recommend integrated solutions to complex business problems drawing on wide-ranging information in an unpredictable variety of professional contexts and taking into account the business scale and sector</td>
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<tr>
<td>3.</td>
<td>Recommend alternative strategies for future actions to clients in particular circumstances, based on updated technical knowledge</td>
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<tr>
<td>4.</td>
<td>Evaluate information and make informed and balanced judgments in the absence of consistent data/information</td>
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<tr>
<td>5.</td>
<td>Construct a wide range of accounting and finance computations covering the main areas of accountancy to provide information for the evaluation of business organisations and their situations</td>
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<td>6.</td>
<td>Consider situations involving ethical and professional issues and make appropriate judgments on these</td>
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<td>7.</td>
<td>Prioritise the presentation of a variety of alternative solutions to business problems</td>
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<tr>
<td>8.</td>
<td>Construct a report or equivalent, using style, content and language appropriate to a wide range of users, to communicate complex financial information</td>
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Syllabus coverage

**BUSINESS STRATEGIES**
- Corporate strategy
- Stakeholder objectives
- Business structures
- Economic and market structures
- Strategic marketing
- Current position analysis
- Communication of strategy
- Funding strategies
- Business tax planning
- Expansion strategies
- Exit strategies
- Business valuation
- Change management
- Business plan
- Organisational culture and management styles
- Digital services and technology
- Governance

**BUSINESS PERFORMANCE EVALUATION**
- Intellectual asset/property evaluation and management
- Treasury risk management
- Budget management
- Investment appraisal
- Business risk assessment
- Performance measures
- Financial analysis
- Operational management
- HR management
- Assurance

**PROFESSIONAL ETHICS**
- Professional Code of Ethics (BE)
- Managing professional appointments (BE)

**PERSONAL FINANCE**
- Personal financial planning (BE)
- Personal tax planning (BE)

(BE) = Business Ethics
Business Ethics

On completion of this course students will be able to:

| 1. | Explain the nature of ethics and its significance in the business environment | X |
| 2. | Consider the consequences of unethical behaviour to the individual, the profession and society | X |
| 3. | Consider the perspective of others when reviewing ethical issues | X |
| 4. | Consider the long term consequences of unethical decisions | X |
| 5. | Evaluate decisions in business using an ethical framework and relevant legislation | X |
| 6. | Recommend ethical courses of action | X |
| 7. | Apply professional ethics codes to business situations | X |

Syllabus coverage

**THE NATURE OF ETHICS**
- Ethics and values
- Ethics and the law
- Rules-based and framework approaches
- Individual values, attitudes and beliefs (heuristics)
- Ethical evaluation framework
- Use of theoretical models in ethical decision making

**ETHICAL DILEMMAS IN BUSINESS**
- Exploration of ethical issues arising in the context of doing business
- Organisational cultures and ethical leadership
- Confidentiality and whistleblowing
- Public Interest Disclosure Act
- Corporate citizenship (social, environmental, employee)
- Effect of globalisation on ethical decision making
- Social Accountability International

**ICAS CODE OF ETHICS**
- Fundamental Principles and Statements