



**THE INSTITUTE OF CHARTERED ACCOUNTANTS
(GHANA)**

**REVISED SYLLABUS FOR
PROFESSIONAL
QUALIFYING EXAMINATIONS**

MAY 2015

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INTRODUCTION



After nearly four years of organizing examinations on the current syllabus of the Institute of Chartered Accountants (Ghana), it is now considered appropriate and timely to revise and update the syllabus in order to bring it in line with current state of knowledge and to make it more relevant to the current demands of employers and clients.

The job of the Chartered Accountant has become more sophisticated now because of the effects of globalisation, developments in information technology and the complexity of the modern business organisation. The modern day chartered accountant, for instance, not only expresses an opinion on the accuracy and fairness of financial statements, but also advises management on the viability of investment projects, tax matters and renders specialised advisory services, etc. In many cases, he is called upon to serve the nation as a member of a special investigation panel.

In order to perform these functions creditably, he/she needs to have acquired proficiency in accounting theory and practice.

The new syllabus would be examined in May 2015. The new syllabus attempts to meet the goals of the scheme through the subject structure and coverage.

The proposed 14-subject, 3-level-structure examination combines subjects which address the practical skills requirements of the potential professional accountants with others which are mainly of the theoretical or conceptual nature and therefore serves as a good grounding for the Professional Accountant.

AIM

The ICAG qualification aims to ensure that all newly qualified chartered accountants have the technical and professional skills to begin their career and from which to build their ongoing professional development.

STRUCTURE

The syllabus has been designed to develop core technical, commercial, and ethical skills and knowledge in a structured and rigorous manner. Progression through the ICAG qualifying examinations, in combination with integrated and monitored work experience, will equip and prepare students for the demanding multi-disciplinary job content of the accountant. The subjects at the professional/advance level assess the highest level of analysis, synthesis and communication skills, commercial and ethical awareness and the application of professional judgment. The syllabus has been designed to ensure that students understand the fundamental principles of ethics, can apply relevant ethical guidance and are able to recommend actions to resolve ethical issues.



SUMMARY OF STRUCTURE

LEVEL 1: KNOWLEDGE LEVEL

PAPERS

- 1.1 Financial Accounting
- 1.2 Business Management and Information System
- 1.3 Business and Corporate Law
- 1.4 Quantitative Tools in Business

LEVEL 2: APPLICATION LEVEL

PAPERS

- 2.1 Financial Reporting
- 2.2 Management Accounting
- 2.3 Audit and Assurance
- 2.4 Financial Management
- 2.5 Public Sector Accounting and Finance
- 2.6 Corporate Strategy, Ethics and Governance

LEVEL 3: PROFESSIONAL LEVEL

PAPERS

- 3.1 Corporate Reporting
- 3.2 Advanced Audit and Assurance
- 3.3 Advanced Financial Management
- 3.4 Taxation and Fiscal Policies

FEATURES AND INNOVATIONS OF THE NEW SCHEME

This new scheme has been developed on a well-established context for a review and change. The following new features and innovations stand out:

- A three-Level structure of 14 papers in total.
- Fusion and integration of some courses. This is meant to encourage an integrative learning approach and to minimize the negative of the “tunnel vision” subject-by-subject training. The combination of related courses is therefore meant to derive more meaning and synergies.
- Clearly defined and achievable learning outcomes from level to level. This should partly resolve the problems associated with the placement of partly qualified candidates in industry and on other programs.
- A more rational, easy-to-fit and implement graduate conversion and exemption scheme has been incorporated. It is hoped that this will motivate higher grade candidate entrants—degree and diploma holders—to acquire sufficient accountancy competence and speed up their eventual professional qualification.
- All students have ten (10) years from the date of registration within which to complete all the examinations of the Institute of Chartered Accountants (Ghana).



After the ten (10) years period any student who has not completed the examinations of the Institute will **not** be eligible to take the examinations.

- Better focus on business [financial] strategy and reporting or communication skills, thereby enabling candidates to appreciate the overall realities of the business environment and to use advisory skills more effectively.
- Increased emphasis on business advisory skills at the [final] Level 3.

OBJECTIVES AND EXPECTED PERFORMANCE OUTCOME OF EACH PART

Each of the 3 levels of this examination scheme has broad objective and expected performance outcomes. Additionally, within each subject at any level, the syllabus coverage as well as the detailed but specific objectives and learning outcomes are stated. The broad objectives and learning outcomes of the proposed (3) levels are as follows:

LEVEL 1

- 4 basic/foundation papers.
- Provision of basic principles and knowledge required to understand the Business Environment.

LEVEL 2

- Six (6) traditional core papers.
- Test of technical expertise required of a modern accountant.
- Acquisition of background knowledge and skills necessary for effective performance at middle management level.

LEVEL 3

- Four (4) core papers.
- Emphasis on business cases, strategy and advisory skills.

Result and Interpretation

The pass mark is 50%. The results will be published as “**pass**” or “**fail**”. A candidate who fails has the option of rewriting this paper in subsequent examinations till his/her candidature expires.



LEVEL 1: KNOWLEDGE LEVEL

FINANCIAL ACCOUNTING



AIM

To develop knowledge and understanding of the underlying principles and concepts relating to financial accounting and technical proficiency in the use of double-entry accounting techniques including the preparation of basic financial statements for single entities. The syllabus also introduces basic techniques for the interpretation of financial statements.

SCOPE

The syllabus for Paper 1.1, Financial Accounting, introduces the candidate to the fundamentals of the regulatory framework relating to accounts preparation and to the qualitative characteristics of useful information. The syllabus concentrates on in-depth recording, processing, and reporting of business transactions and events. The syllabus then covers the use of the trial balance and how to identify and correct errors, and then the preparation of financial statements for incorporated and unincorporated entities. The syllabus requires candidates to be able to conduct a basic interpretation of financial statements;

SPECIFIC OBJECTIVES

- On successful completion of this paper, candidates should be able to:
- A. Explain the context and purpose of financial accounting
 - B. Define the qualitative characteristics of financial information
 - C. Demonstrate the use of double-entry and accounting systems
 - D. Record transactions and events
 - E. Prepare a trial balance (including identifying and correcting errors)
 - F. Prepare basic financial statements for incorporated and unincorporated entities.
 - H. Interpretate of financial statements

SYLLABUS WEIGHTING GRID

This grid shows the relative weightings of topics within this subject and should guide the required study time spent on each. The marks available in the assessment will equate to the weightings below. However, there might be slight variations in some instances as they serve as a guide only.



	SYLLABUS COVERAGE	WEIGHT (%)
A	The context and purpose of financial accounting	10
B	The use of double-entry and accounting systems	10
C	Recording transactions and events	20
D	Preparing a trial balance	20
E	Preparing basic financial statements	25
F	Interpretation of financial statements	15
	TOTAL	100

FORMAT OF EXAMINATION

The examination will be a three-hour paper consisting of five compulsory questions.

DETAILED SYLLABUS

A The context and purpose of financial accounting

1. The scope and purpose of financial statements for external reporting as distinct from cost and management accounting
2. Users of financial statements and their information needs
3. The main elements of financial reports
4. The regulatory framework (legislation and regulation, reasons and limitations, relevance of accounting standards)
5. Duties and responsibilities of those charged with governance.
6. The qualitative characteristics of financial information

B Accounting System and Double Entry Accounting

1. Source Documentation
2. Books of Prime Entry
3. Double-entry book-keeping principles including the maintenance of accounting records.
4. Ledger Accounting

C Recording transactions and events

1. Sales and Purchases
2. Cash
3. Inventory
4. Tangible Non-current Assets
5. Depreciation
6. Intangible Non-current Assets and Amortization
7. Accruals and Prepayments
8. Receivables and Payables
9. Provisions and Contingencies
10. Capital Structure and finance costs



D Trial balance Validation

1. Extended Trial balance
2. Control accounts and reconciliations
3. Bank reconciliations
4. Correction of Errors and Suspense accounts

E Preparing basic financial statements

1. Income statement and statement of financial position of sole proprietor
2. Statement of comprehensive income, statement of changes in equity and statement of financial position of a company
3. Income statement, statement of profit appropriation and statement of financial position of a partnership firm
4. Events after the reporting period
5. Statements of cash flows (excluding partnerships)
6. Incomplete records
7. A set of financial statements for not-for profit entities

F Interpretation of financial statements

1. Importance and purpose of analysis of financial statements
2. Basic Accounting Ratios
3. Analysis of Financial Statements

LIST OF RECOMMENDED TEXT

1. ICAG Study Manual: Financial accounting.
2. Milichamp, R.A (2007). Foundation accounting. London: DP Publication
3. Wood, F. and Slinger, A. (2012). Business accounting Vol. 1. 12th Ed, Financial Times
4. Wood, F. and Sangster, A. (2012). Business accounting Vol.2. 12th Ed, Financial Times

RELEVANT LEGISLATIONS

1. Companies Code, 1963, (Act 179).
2. Incorporated Private Partnership Act 1962, (Act 152).

PAPER 1.2: BUSINESS MANAGEMENT AND INFORMATION SYSTEMS

AIM

To introduce candidates to knowledge and understanding of the business and its environment and the influence this has on how organisations are structured

SCOPE

The paper starts by introducing students to business purpose and objectives. It continues to examine the business environment, organizational structure and choices and business planning.



The functional areas of management:- human resources management, marketing management, and operations management are also examined.

The paper also examines the impact information technology and information systems have on business.

SYLLABUS WEIGHTING GRID

This grid shows the relative weightings of topics within this subject and should guide the required study time spent on each. The marks available in the assessment will equate to the weightings below. However, there might be slight variations in some instances as they serve as a guide only.

	SYLLABUS COVERAGE	WEIGHT (%)
A	Business purpose and objective	5
B	Entity type and choices	5
C	Business Environment	5
D	Business and organizational structures and choices	10
E	Business Planning	10
F	Business functions activities and processes	10
G	Management, Individual and Organisational behavior	10
H	Human Resource Management	10
I	Marketing Management	10
J	Operations Management	5
K	Basic Models for business analysis	10
L	Information, information technology and information systems	10
	TOTAL	100



FORMAT OF EXAMINATION

The examination will be a three-hour paper consisting of five compulsory questions.

DETAILED SYLLABUS

A Business purpose and objectives

- 1 For profit
- 2 Not for profit

B Entity type and choices

1. Sole Proprietorship
- 1 Partnership
- 2 Companies
- 3 Public Corporation
- 4 Privatization and Divestiture

C The business environment

1. Internal Environment
2. External Environment
3. Globalisation

D Business and organisational structures and choices

1. Centralisation
2. Decentralisation
3. Matrix and mixed structures
4. Networks
5. Virtual arrangements

E Business planning

1. Basics and relationships of strategic vision, mission, values and objectives
2. The relationship between strategic , business and operational plans
3. Basics of strategic plan development

F Business functions, activities and processes

1. The relationships between business functions, activities and processes and their support for achieving business objectives
2. The relationship between entity and functional strategies

G Management, individual and organisational behaviour

1. Formal and informal organisation
2. Culture
3. Leadership and management
4. Individual and group behaviour in organisations
5. Team formation, development and management
6. Motivation of management and employees

H Human Resource Management

1. Role of Human Resource Management Function
2. Recruitment Process
3. Training and Development of Employees
4. Disciplinary Procedures in Human Resource Management
5. Compensation Systems
6. Organisational Health and Safety
7. Duties and Responsibilities of Employees and Employers

I Marketing Management

1. Marketing Concept
2. Strategic Roles of Marketing in Organisations
3. Elements of a Marketing Plan
4. Market Segmentation and Targeting



- 5 Elements of Marketing Mix and their Application
- 6 Pricing Strategy- Design and Implementation
- 7 Customer Care strategy

J Operations Management

1. Types of production process: Job; Batch; and Flow
2. Methods of Plant Layout: Product; Process; and Fixed Position
3. Inventory procurement, control and management
4. Quality Control in operations management

K Basic models for business analysis

1. PEST analysis
2. Porter's five forces analysis
3. 4 P's of marketing
4. Product life cycles
5. Boston Consulting Group matrix
6. SWOT analysis

L Information, information technology and information systems

1. Nature of data, information and knowledge
2. Information technologies that support modern information systems
3. Main information systems used by entities including business process systems, and executive information systems
4. Main risks to the reliability of data and information and how these may be managed and controlled operationally and through management of systems and technology including development of new systems.

RECOMMENDED/REFERENCE TEXTS

1. ICAG Study manual: Business management and information systems.
2. Appleby, R.C. (1994). Modern business administration. 6th Ed, London: Pitman.
3. Boachie-Mensah, F.O (2006). Essentials of management. Accra: Woeli Publishing Services.
4. Cole, G.A (1996). Management: Theory and practices. London: DP Publication.
5. Marfo-Yiadom, E. (2005). Principles of management. Accra: Woeli Publishing Services.

PAPER 1.3: BUSINESS AND CORPORATE LAW

AIM

To develop knowledge and skills in the understanding of the general legal framework, and of specific legal areas relating to business, recognising the need to seek further specialist legal advice where necessary.



SCOPE

The syllabus starts with an introduction to the overall Ghanaian legal system such as the court system and sources of law – including – human rights legislation. It then leads into the area of the law of obligations including contract and tort, which generally underpin business transactions. The syllabus then covers a range of specific legal areas relating to various aspects of business of most concern to finance professionals. These are the law relating to employment and the law relating to companies. These laws include the formation and constitution of companies, the financing of companies and types of capital, and the day-to-day management, the administration and regulation of companies and legal aspects of companies facing difficulty or in crisis. The final section links back to all the previous areas. This section deals with corporate governance, ethics and ethical behaviour relating to business including criminal law

SPECIFIC OBJECTIVES

On successful completion of this paper candidates should be able to:

- A. Identify the essential elements of the legal system, including the main sources of law
- B. Recognise and apply the appropriate legal rules relating to the law of obligations
- C. Explain and apply the law relating to employment relationships
- D. Distinguish between alternative forms and constitutions of business organisations
- E. Recognise and compare types of capital and the financing of companies
- F. Describe and explain how companies are managed, administered and regulated
- G. Recognise the legal implications relating to companies in difficulty or in crisis
- H. Demonstrate an understanding of governance and ethical issues relating to business.

SYLLABUS WEIGHTING GRID

This grid shows the relative weightings of topics within this subject and should guide the required study time spent on each. The marks available in the assessment will equate to the weightings below. However, there might be slight variations in some instances as they serve as a guide only.

	SYLLABUS COVERAGE	WEIGHT (%)
A	Essential elements of the legal system	10
B	The Law of contract	15
C	Special Contracts	10
D	Employment law	10
E	Formation and constitution of organization	10
F	Capital and financing of companies	10
G	Management, administration and regulation of companies	15
H	Legal implications relating to companies in difficulty or in crisis	10
I	Governance and ethical issues relating to business	10
	TOTAL	100



FORM OF EXAMINATION

The examination will be a three-hour paper consisting of five compulsory questions.

A Essential elements of the legal system

1. Court structure
2. Sources of law
3. Human rights

B The law of Contract

1. Formation of contract
2. Content of contracts
3. Breach of contract and remedies
4. The law of torts
5. Professional negligence

C Special Contracts

1. Agency Laws
2. Sale of Goods
- 3 Hire Purchase
- 4 Negotiable Instruments

D Employment law

1. Contract of employment
2. Dismissal and redundancy

E The formation and constitution of business organisations

1. Partnerships
2. Corporations and legal personality
3. Company formations

F Capital and the financing of companies

1. Share capital
2. Loan capital
3. Capital maintenance and dividend law

G. Management, administration and regulation of companies

1. Company directors
2. Other company officers
3. Company meetings and resolutions



H. Legal implications relating to companies in difficulty or in crisis

1. Insolvency
2. Administration

I. Governance and ethical issues relating to business

1. Corporate governance
2. Fraudulent and criminal behaviour

NOTE ON CASE LAW

Candidates should support their answers with analysis referring to cases or examples. There is no need to detail the facts of the case. Remember, it is the point of law that the case establishes that is important, although knowing the facts of cases can be helpful as sometimes questions include scenarios based on well-known cases. Further it is not necessary to quote section numbers of Acts.

RECOMMENDED/REFERENCE TEXTS

1. ICAG Study Manual: Business and corporate law.
2. Bondzi-Simpson, P.E (1998). Company Law in Ghana. Accra: Methodist Book Depot
3. Bondzi-Simpson, P. E. (2002). Law of contract: with special reference to the law of Ghana. Accra: Excellent Pub. & Printing.
4. Harpwood, V. (2000). Principles of tort law. Routledge.

LIST OF STATUTES

Bodies Corporate (Official Liquidations) Act, 1963 (Act 180)
Companies Code, 1963 (Act 179)
Contract Act 1960 (Act 25)
Limitations Decree NRCD 54
Financial Administration Act 2003, Act 654
Hire Purchase Decree 1974 (NRCD 292)
Incorporated Private Partnership Act, 1962 (Act 152)
Sales of Goods Act 1963 (Act 137)
Serious Fraud Act.
The 1992 Constitution of the Republic of Ghana
Factories, Offices and Shops Act, 1970 (Act 328)
Workmen's Compensation Law, 1987 (PNDCL 187)
Labour Act, 2003 (Act 651)



PAPER 1.4: QUANTITATIVE TOOLS IN BUSINESS

AIM

To develop knowledge and skills relating to quantitative analysis of business decision processes

SCOPE

The syllabus starts with an introduction to basic mathematics like fractions, percentages, algebra and indices. It then leads into the area of equalities and inequalities. The syllabus then covers a range of financial mathematics tools such as Compound interest, discounting and the time value of money, Annuities, Present value of annuities, Sinking funds and amortisation. It then progresses to examine some mathematical tools relevant to decision making such as calculus, Differentiation and Integration. Measures of central tendencies, measures of dispersions and probability tools are also covered. The final section deals with tools for forecasting such as Time series, Trend, Seasonal variations, cyclical variations and random variations, and Moving average trend.

SPECIFIC OBJECTIVES

On successful completion of this paper candidates should be able to:

- A. Apply accurately the key tools of basic maths in simple business and accounting
- B. Apply accurately both numerically and graphically equations and inequalities in simple business
- C. State, explain and apply the key tools of mathematics used in business finance problems
- D. Apply accurately in simple business related situations the key tools of basic calculus
- E. State, explain and apply key measures of central tendency in business related situations
- F. State, explain and apply key measures of dispersion in business related situations
- G. State, explain and apply rules of probability in business related situations
- H. Apply accurately in simple business situations basic tools of financial and operational forecasting

SYLLABUS WEIGHTING GRID

This grid shows the relative weightings of topics within this subject and should guide the relative study time spent on each. The marks available in the assessment will equate to the weightings below. However, there might be slight variations in some instances as they serve as a guide only.



	SYLLABUS COVERAGE	WEIGHT (%)
A	Review of basic mathematics	5
B	Equalities and inequalities	10
C	Mathematics of business finance	10
D	Elements of calculus	10
E	Linear programming	10
F	Data collection	10
G	Measures of central tendencies	10
H	Measures of dispersion	10
I	Probabilities	10
J	Forecasting techniques	15
	TOTAL	100

FORM OF EXAMINATION

The examination will be a three-hour paper consisting of seven questions, out of which candidates are expected to answer any five questions.

DETAILED SYLLABUS

A. Review of basic mathematics

- 1 Fractions
- 2 Percentages
- 3 Algebra
- 4 Powers and indices
- 5 Sequence and series

B. Equalities and inequalities

- 1 Coordinates and graphs
- 2 Straight line equations
- 3 Simultaneous equations
- 4 Curves
- 5 Inequalities

C. Mathematics of business finance

- 1 Compound interest
- 2 Discounting and the time value of money
- 3 Annuities
- 4 Present value of annuities
- 5 Sinking funds and amortisation

D. Elements of calculus

- 1 Uses of calculus
- 2 Differentiation
- 3 Integration



- 4 Identification and determination of stationary points
- 5 Elements of optimisation (Maximum and minimum)

E. Linear Programming

- 1 Simplex method
2. Graphical method

F. Data collection

- 1 Frequency distributions – simple and cumulative
- 2 Histograms, frequency polygons and ogives

G. Measures of central tendency

- 1 The concepts of averages
- 2 The arithmetic mean
- 3 The median
- 4 The mode
- 5 Quartiles

H. Measures of dispersion

- 1 The concept of dispersion
- 2 Range
- 3 Mean deviation
- 4 Quartile deviation
- 5 Standard deviation
- 6 Variance

I. Probability

- 1 Basic rules of probability
- 2 Mutually exclusive, independent and conditional probability
- 3 Expected values
- 4 Tree diagrams
- 5 The normal distribution

J. Forecasting

- 1 Time series
- 2 Correlation and Regression Analysis
- 3 Trend, seasonal variations , cyclical variations and random variations
- 4 Moving average trend
- 5 Forecasting

LIST OF RECOMMENDATION TEXT

1. ICAG Study Manual: Quantitative tools in business.
2. Lucey, T. (2002). Quantitative techniques. Thomson Learning.



LEVEL 2: APPLICATION LEVEL

2.1: FINANCIAL REPORTING



AIM

To develop knowledge and skills in understanding and applying accounting standards and the theoretical framework in the preparation of financial statements of entities, including groups and how to analyse and interpret those financial statements.

SCOPE

The financial reporting syllabus assumes knowledge acquired in Paper 1.1 Financial Accounting, and develops and applies this further and in greater depth. The syllabus begins with the conceptual framework of accounting with reference to the qualitative characteristics of useful information and the fundamental bases of accounting introduced in the Paper 1.1 syllabus within the Knowledge module. It then moves into a detailed examination of the regulatory framework of accounting and how this informs the standard setting process.

The main areas of the syllabus cover the reporting of financial information for single companies and for groups in accordance with generally accepted accounting principles and relevant accounting standards. Finally, the syllabus covers the analysis and interpretation of information from financial reports.

SPECIFIC OBJECTIVES

On successful completion of this paper candidates should be able to:

- A Discuss and apply a conceptual framework for financial reporting
- B Discuss a regulatory framework for financial reporting
- C Prepare and present financial statements which conform with IFRSs
- D Account for business combinations in accordance with IFRSs
- E Analyse and interpret financial statements.

SYLLABUS WEIGHTING GRID

This grid shows the relative weightings of topics within this subject and should guide the comparative study time spent on each. The marks available in the assessment will equate to the weightings below. However, there might be slight variations in some instances as they serve as a guide only.



	SYLLABUS COVERAGE	WEIGHT (%)
A	Conceptual and regulatory framework of financial statements	10
B	Financial reporting standards	20
C	Preparation of financial statements	20
D	Specialised Transactions	15
E	Consolidated financial statement	20
F	Financial statement interpretation	15
	TOTAL	100

FORM OF EXAMINATION

The examination will be a three-hour paper consisting of five compulsory questions.

DETAILED SYLLABUS

A Conceptual and regulatory framework of financial reporting

1. The need for a conceptual framework
2. The fundamental concepts of relevance and faithful representation ('true and fair view')
3. The enhancing characteristics of comparability, verifiability, timeliness and understandability
4. Recognition and measurement
5. The legal versus the commercial view of accounting
6. Alternative models and practices
7. Reasons for the existence of a regulatory framework
8. The standard setting process

B Financial Reporting Standards and other Regulatory Requirements

1. Preparation of financial statements
2. Inventory
3. Accounting Policies Changes in Accounting Estimates and Errors
4. Events after the reporting period
5. Property, Plant and Equipment
6. Government Grant and Disclosure of Government Assistance
7. Borrowing Costs
8. Investment Property
9. Non-current assets held for sale and discontinued operations
10. Intangible assets
11. Impairment of assets
12. Financial assets and financial liabilities
13. Leases
14. Provisions, contingent liabilities, and contingent assets
15. Taxation
16. Construction contract
17. Regulatory requirements relating to the preparation of financial statements (eg. Companies Act requirements, Stock Exchange Requirements)



C Financial Statements of Manufacturing/Trading Companies, Banks and Insurance Companies

1. Statement of Profit of Loss and Other Comprehensive Income
2. Statement of Changes in Equity
3. Statement of Financial Position
4. Statement of Cash Flows
5. Statement of Value Added
6. Notes to the financial statements

D. Specialised transactions

1. Accounting for branch operations (including foreign branch)
2. Accounting for hire purchase transactions
3. Partnership accounting; admission, retirement and death of a partner; amalgamation of partnership firms; dissolution and conversion into company

E Consolidated Financial Statements

1. The concept and principles of a group
2. Regulatory Framework; IAS 27, IAS 28, IFRS 3, IFRS 10, IFRS 11 and Companies Act Prescriptions.
3. Preparation of consolidated financial statements [Consolidated Financial Position, Consolidated Statement of Changes in Equity and Consolidated Statement of profit or loss and other comprehensive income] involving one subsidiary
4. Preparation of Consolidated Financial Statements including an associate and a Joint Venture

F Analysing and interpreting financial statements

1. Overview of Accounting Ratios calculation
2. Interpretation of financial statements [statement of financial position, statement of comprehensive income and statement of cash flows] to address users and other stakeholders needs.
3. Preparation of common-size financial statements
4. Describing limitations of interpretation techniques
5. Calculation of basic and diluted earnings per share in line with IAS 33

LIST OF RECOMMEND TEXT

1. ICAG Study Manual: Financial reporting.
2. Addo, A . (2014), Financial reporting: A new outlook for University and Professional Students. Kedard Office Equipment Services

OTHER REFERENCES

Companies Code 1963, Act 179.

Incorporated Private Partnership Act 1962, Act 152.

International Financial Reporting Standards.



PAPER 2.2: MANAGEMENT ACCOUNTING

AIM

To develop knowledge and skills in the application of management accounting techniques to quantitative and qualitative information for planning, decision-making, performance evaluation, and control

SCOPE

The syllabus for Paper 2.2 Management Accounting begins by introducing cost accounting principles and methods. The syllabus then considers decision-making. Candidates need to appreciate the problems surrounding scarce resource, pricing and make-or-buy decisions, and how this relates to the assessment of performance. Risk and uncertainty are a factor of real-life decisions and candidates need to understand risk and be able to apply some basic methods to help resolve the risks inherent in decision-making.

Budgeting is an important aspect of many accountants' lives. The syllabus explores different budgeting techniques and the problems inherent in them. The behavioural aspects of budgeting are important for accountants to understand, and the syllabus includes consideration of the way individuals react to a budget.

The basic variances, mix and yield variances, planning and operational ratio are explored.. It is important for accountants to be able to interpret the numbers that they calculate and ask what they mean in the context of performance. The syllabus concludes with performance management systems, measurement and control.

Accountants need to understand how a business should be managed and controlled and how information systems can be used to facilitate this. They should appreciate the importance of both financial and non-financial performance measures in management. Accountants should also appreciate the difficulties in assessing performance in divisionalised businesses and the problems caused by failing to consider external influences on performance.

SPECIFIC OBJECTIVES

On successful completion of this paper, candidates should be able to:

- A Explain the nature, source and purpose of management information
- B Explain and apply cost accounting techniques
- C Apply decision-making techniques to facilitate business decisions
- D Identify and apply appropriate budgeting techniques and methods for planning and control
- E Use standard costing systems to measure and control business performance and to identify remedial action
- F Analyse variances and institute corrective measures.
- G appreciating the problems of controlling divisionalised businesses and the importance of allowing for external aspects



SYLLABUS WEIGHTING GRID

This grid shows the relative weightings of topics within this subject and should guide the relative study time spent on each. The marks available in the assessment will equate to the weightings below. However, there might be slight variations in some instances as they serve as a guide only.

	SYLLABUS COVERAGE	WEIGHT (%)
A	The nature, purpose and sources of management information	10
B	Cost accounting techniques	15
C	Specialised cost and management accounting techniques	10
D	Decision making techniques	15
E	Budgeting	10
F	Standard costing and variance analysis	15
G	Investment Appraisal	10
H	Performance management systems, measurements and control	15
	TOTAL	100

FORM OF EXAMINATION

The examination will be a three-hour paper consisting of five compulsory questions.

DETAILED SYLLABUS

A. The nature, source and purpose of management information

1. Accounting for management
2. Sources of data
3. Cost classification
4. Presentation of information

B. Cost accounting techniques.

1. Accounting for material, labour and overheads
2. Absorption and marginal costing
3. Job Costing
4. Batch Costing
6. Service Costing
7. Contract Costing
8. Process Costing

C. Specialised cost and management accounting techniques

1. Activity-based costing
2. Target costing
3. Life-cycle costing
4. Throughput accounting



D. Short term decision-making techniques

1. Relevant costs analysis [Material, Labour and Overheads]
2. Cost volume analysis
3. Limiting factors
4. Pricing decisions
5. Make-or-buy/ Outsourcing; Split of further process, special order acceptance decisions
6. Dealing with risk and uncertainty in decision –making [Probability and Expected values]

E. Budgeting and Budgetary Control

1. Definition of Budgeting and Budgetary Control
2. Objectives of Budgeting and Budgetary Control
3. Stages in Budgeting Process
4. Administration of budgets [budget manual, budget key factor, budget committee, budget period]
5. Types of budgets[fixed Budgets, flexible budgets, incremental budgets, zero based budget, rolling budgets, programme based budgets, Activity based budgets]
6. Preparation and Analysis of Functional budgets
7. Preparation and Analysis of Cash Budget
8. Preparation and Analysis of Master Budget
9. Behavioural aspects of Budgeting

F Standard costing and variances analysis

1. Nature, Scope and Objectives of standard costing
2. Types of Standards [Basic, Ideal, Current and Attainable Standards]
3. Standard Setting process
4. Basic Variances: Sales, Material , Labour and Overheads
5. Mix and yield variances
6. Operating Statements : Reconciliation of Budgeted Results with Actual Results using variances]
1. Productivity, Efficiency and Capacity Ratios
2. Causes of and Analysis of Variances
8. Behavioural aspects of standard costing

G. Investment Appraisal Techniques

1. Types of Investments /Capital Expenditure
2. Objectives of Investments Appraisal
3. Investment appraisal techniques
 - Pay Back period
 - Accounting Rate of Return
 - Discounted Cash Flows
 - Internal Rate of Return
 - Profitability Index
4. Applying Capital Rationing in Investment Appraisal
5. Allowing for inflation and taxation in investment appraisal
6. Adjusting for risk and uncertainty in investment appraisal (including sensitivity analysis)
7. Specific investment decisions (lease or buy; asset replacement)



H. Performance management systems, measurements and control

1. Performance management information systems
2. Sources of management information
3. Management reports
4. The scope of performance measurement
5. Divisional performance appraisal
6. Transfer pricing
7. Performance analysis in not-for-profit organisations and the public sector
8. External considerations and behavioural aspects

RECOMMENDED/REFERENCE TEXTS

1. ICAG Study Manual: Management Accounting.
2. Oduro, R. (2013) Cost and Management Accounting,
3. Arora, M. N. (2010). Cost Accounting; Principles and Practice. Vikas Publishing House Pvt. Limited.
4. Drury, C. (2006). Cost and management Accounting. Thomson Learning.
5. Horngren, C. T. (2012). Cost Accounting: A Managerial Emphasis, Pearson Education India
6. Lucey, T. (2003). Management Accounting, Delmar Cengage Learning.

PAPER 2.3 AUDIT AND ASSURANCE

AIM

To develop knowledge and understanding of the process of carrying out the assurance engagement and its application in the context of the professional regulatory framework.



SCOPE

The Audit and Assurance syllabus is essentially divided into eight areas. The syllabus starts with the nature, purpose and scope of assurance engagements, including the statutory audit, its regulatory environment, and introduces professional ethics relating to audit and assurance. It then leads into internal audit, including the scope of internal audit as well as the differences between internal audit and external audit. The syllabus then covers a range of areas relating to an audit of financial statements. These include planning and risk assessment, evaluating internal controls, audit evidence, and a review of the financial statements. The final section then deals with reporting, including statutory audit reports, management reports, and internal audit reports.

SPECIFIC OBJECTIVES

On successful completion of this paper, candidates should be able to:

- A Explain the nature, purpose and scope of assurance engagements including the role of the external audit and its regulatory and ethical framework
- B Explain the nature of internal audit and describe its role as part of overall performance management and its relationship with the external audit

- C Demonstrate how the auditor obtains an understanding of the entity and its environment, assesses the risk of material misstatement (whether arising from fraud or other irregularities) and plans an audit of financial statements
- D Describe and evaluate information systems and internal controls to identify and communicate control risks and their potential consequences, making appropriate recommendations
- E Identify and describe the work and evidence required to meet the objectives of audit engagements and the application of the International Standards on Auditing
- F Evaluate findings and modify the audit plan as necessary
- G Explain how the conclusions from audit work are reflected in different types of audit report, explain the elements of each type of report.

SYLLABUS WEIGHTING GRID

This grid shows the relative weightings of topics within this subject and should guide the relative study time spent on each. The marks available in the assessment will equate to the weightings below. However, there might be slight variations in some instances as they serve as a guide only.

	SYLLABUS COVERAGE	WEIGHT (%)
A	Nature and Scope of Auditing	10
B	Regulatory Framework of Auditing	10
C	Internal audit	10
D	Planning and risk assessment	15
E	Internal control	15
F	Audit evidence	15
G	Review	10
H	Reporting	15
	TOTAL	100

FORM OF EXAMINATION

The examination will be a three-hour paper consisting of five compulsory questions.

DETAILED SYLLABUS

A. Nature and Scope of Auditing

- 1 Definition and Components of Assurance
- 2 Auditing as a component of Assurance
- 1 Historical Perspective of Auditing
- 2 Definition of Auditing
- 3 Objectives of and the Need for Auditing
- 4 Types of Auditing [External Vrs Internal; Statutory Vrs Internal; Financial Vrs Performance/Operational Auditing]
- 5 Auditing and Corporate Governance



B Regulatory Framework of Auditing

- 1 The Auditor and the Companies Act
 - Qualification of an Auditor
 - Appointing Authority
 - Remuneration
 - Duties and Rights of the auditor
 - Resignation, Retirement, Dismissal/Removal of an auditor
- 2 Auditor engagement/acceptance Process
- 3 Professional Ethical Requirements
- 4 Overview of International Standards on Auditing
- 5 Institutional Regulation of Audit Practice
 - International Federation of Accountants;
 - Institute of Chartered Accountants-Ghana,
 - Internal Audit Agency

C. Internal audit

1. Internal audit and corporate governance
2. Differences between the external audit and the internal audit functions
3. The scope of the internal audit function
4. Outsourcing the internal audit function
5. Internal audit assignments
6. Risk-based internal audit

D. Planning and risk assessment

1. Objective and general principles
2. Assessing the risks of material misstatement
3. Understanding the entity and its environment
4. Materiality, fraud, laws and regulations
5. Analytical procedures at the planning stage
6. Planning an audit
7. Audit documentation

E. Internal control

1. Internal control systems
2. The use of internal control systems by auditors
3. Transaction cycles
4. Tests of control
5. The evaluation of internal control components
6. Communication on internal control

F. Audit evidence

1. Nature and Scope of Audit Evidence
2. The use of assertions by auditors [assertions relating to Income Statement (transactions and events), assertions relating to statement of financial position,; assertions relating to presentation and disclosure]



3. Audit procedures [Inspection, Observation, Inquiry, Confirmation, Recalculation, Re-performance, Analytical procedures]
4. The audit of specific items [Substantive testing for transaction cycle; verification procedures for assets, liabilities and equity items]
5. Audit sampling and other means of testing
6. Computer-assisted audit techniques
7. Using the work of others/Experts

G. Review

1. Subsequent events
2. Going concern evaluation
3. Written representations
4. Analytical procedures at the conclusion stage

H. Reporting

1. Communication with those charged with Governance
2. Communicating Deficiencies in Internal Control to Those Charged with Governance and Management
3. Forming an Opinion and Reporting on Financial Statements
4. Modifications to the Opinion in the Independent Auditor's Report

LIST OF RECOMMENDED TEXT

1. ICAG Study Manual: Audit and Assurance.
2. Omane-Antwi, K. B. (2009). Auditing: Theory and Practice (The Auditing Compendium). Tema: Dig books Ghana Ltd
3. Millichamp, A.H.(2002). Auditing. 8th ed. London: Continuum International Publishing Group.
4. Woolf, E., & Riches, J. (1997). Auditing today. Heme1 Hempstead: Prentice Hall.



PAPER 2.4: FINANCIAL MANAGEMENT

AIM

To develop the knowledge and skills expected of a finance manager, in relation to investment, financing, and dividend policy decisions.

SCOPE

The syllabus for Paper 2.4, Financial Management, is designed to equip candidates with the skills that would be expected from a finance manager responsible for the finance function of a business. The paper, therefore, starts by introducing the role and purpose of the financial management function within a business. Before looking at the three key financial management decisions of investing, financing, and dividend policy, the syllabus explores the economic environment in which such decisions are made.

The next section of the syllabus is the introduction of investing decisions. This is done in two stages - investment in (and the management of) working capital and the appraisal of long-term investments. The next area introduced is financing decisions. This section of the

syllabus starts by examining the various sources of business finance, including dividend policy and how much finance can be raised from within the business. Cost of capital and other factors that influence the choice of the type of capital a business will raise then follows. The principles underlying the valuation of business and financial assets, including the impact of cost of capital on the value of business, is covered next. The syllabus finishes with an introduction to, and examination of, risk and the main techniques employed in the management of such risk.

SPECIFIC OBJECTIVES

On successful completion of this paper candidates should be able to:

- A Discuss the role and purpose of the financial management function
- B Assess and discuss the impact of the economic environment on financial management
- C Discuss and apply working capital management techniques
- D Carry out effective investment appraisal
- E Identify and evaluate alternative sources of business finance
- F Explain and calculate the cost of capital and the factors which affect it
- G Discuss and apply principles of business and asset valuations
- H Explain and apply risk management techniques in business.

SYLLABUS WEIGHTING GRID

This grid shows the relative weightings of topics within this subject and should guide the comparative study time spent on each. The marks available in the assessment will equate to the weightings below. However, there might be slight variations in some instances as they serve as a guide only.

	SYLLABUS COVERAGE	WEIGHT (%)
A	Financial Management function	10
B	Financial management environment	10
C	Working capital management	15
D	Investment appraisals	15
E	Business finance	15
F	Cost of capital	10
G	Business valuation	15
H	Risk management	10
	TOTAL	100

FORM OF EXAMINATION

The examination will be a three-hour paper consisting of five compulsory questions.

DETAILED SYLLABUS

A Financial management function

1. The nature and purpose of financial management
2. Financial objectives and relationship with corporate strategy



3. Stakeholders and impact on corporate objectives
4. Financial and other objectives in not-for-profit organisations

B Financial management environment

1. The economic environment for business
2. The nature and role of financial markets and institutions
3. The treasury function

C Working capital management

1. The nature, elements and importance of working capital
2. Management of inventories, accounts receivable, accounts payable and cash
3. Determining working capital needs and funding strategies

D Investment appraisal

1. Investment appraisal techniques
2. Allowing for inflation and taxation in investment appraisal
3. Adjusting for risk and uncertainty in investment appraisal
4. Specific investment decisions (lease or buy; asset replacement, capital rationing)

E Business finance

1. Sources of, and raising short-term finance
2. Sources of, and raising long-term finance
3. Raising short and long term finance through Islamic financing
4. Internal sources of finance and dividend policy
5. Gearing and capital structure considerations
6. Finance for Small and Medium-size Entities (SMEs)

F. Cost of capital

1. Sources of finance and their relative costs
2. Estimating the cost of equity
3. Estimating the cost of debt and other capital instruments
4. Estimating the overall cost of capital
5. Capital structure theories and practical considerations
6. Impact of cost of capital on investments

G Business valuations

1. Nature and purpose of the valuation of business and financial assets
2. Models for the valuation of shares
3. The valuation of debt and other financial assets
4. Efficient market hypothesis (EMH) and practical considerations in the valuation of Shares

H Risk management

1. The nature and types of risk and approaches to risk management



2. Causes of exchange rate differences and interest rate fluctuations
3. Hedging techniques for foreign currency risk
4. Hedging techniques for interest rate risk

2. LIST OF RECOMMENDED TEXT

1. ICAG Study Manual: Financial management.
2. Brealey, R. A., & Myers, S. C. (2000). Principles of corporate finance. 4th ed. McGraw
3. Brealey, R. A. (2012). Principles of corporate finance. Tata McGraw-Hill Education.
4. Ross, S. A. (2008). Modern financial management-/Stephen A. Ross et al. New York [etc.]: McGraw- Hill/Irwin.
5. Ross, S. A., & Westerfield, R. (2006). Corporate finance: fundamentals, 7th international ed. Irwin
6. Pandey, I. M. (1999). Financial Management –Vikas Publishing House Pvt. Ltd.–.
7. Settor, A. (2014) Financial Management Strategy. Kedard Office Equipment Services

PAPER 2.5: PUBLIC SECTOR ACCOUNTING AND FINANCE

AIM

The aim of this paper is to introduce students to the regulatory framework of public sector financial reporting and to equip them with knowledge that would enable them function effectively in the public sector after graduation. It also aims at introducing students to the basic principles and functions of taxation.

SCOPE

The syllabus starts with introduction to the context and regulatory framework of public sector financial reporting. It then continues to deal with procurement procedure, budgeting, revenue management and expenditure control. Other areas covered by the syllabus include overview of International Public Sector Accounting Standards [IPSAS] and financial reporting in the public sector. The syllabus also covers accountability and value for money in the public sector and Public- Private Partnership agreements. The Paper also introduces candidates to current development in public Financial Management.

SPECIFIC OBJECTIVE

On successful completion of this paper candidates should be able to:

- A Explain the main features of public sector entities and accounting systems
- B Discuss the public sector reporting framework.
- C Prepare complete set of general purpose financial statements in the public sector.
- D Prepare consolidated financial statements in the public sector.
- E Apply requirements of all International Public Sector Accounting Standards [IPSAS].
- F Cope with current reporting issues and developments in the public sector.
- G Demonstrate an understanding of and evaluate the regulatory and financial reporting framework.
- H Evaluate current developments and emerging issues in financial reporting.
- I Evaluate current public financial management issues.



- J Understand the operation and scope of the tax system
K Explain and compute the income tax liabilities of individuals

3. SYLLABUS WEIGHTING GRID

This grid shows the relative weightings of topics within this subject and should guide the comparative study time spent on each. The marks available in the assessment will equate to the weightings below. However, there might be slight variations in some instances as they serve as a guide only.

	SYLLABUS COVERAGE	WEIGHTING (%)
A	The Context of Public Financial Management & Accounting	10
B	Public Sector Accounting Concepts and Bases	10
C	Legal & Regulatory Framework for Public Financial Management	10
D	Public Procurement	10
E	Budgets and Budgeting in the Public Sector	10
F	Revenue Management and Expenditure Control	10
G	Overview of International Public Sector Accounting Standards (IPSAS)	10
H	Financial Reporting for Central and Local Government and NGOs	10
I	Accountability and Value for Money in the Public Sector	10
J	Accounting for Public Private Partnerships	10
	TOTAL	100

FORM OF EXAMINATION

The examination will be a three hour paper consisting of five compulsory questions

DETAILED SYLLABUS

A The Context of Public Financial Management & Accounting

1. Differences and similarities between the public sector entities and the private sector entities.
2. Differences and similarities between public sector accounting and private sector accounting
3. Objectives of the public sector accounting compared with objectives of Private Sector Accounting systems.
4. Users of public sector financial statements and their information needs.
5. The concept of New Public Management in the public sector.

B Accounting Concepts and Bases in the Public Sector

1. Different basis of accounting in the public sector such as: cash basis, modified cash basis, accrual basis, and modified accrual basis.
2. Key features of each of the bases of accounting.
3. Advantages and disadvantages of each of the bases of accounting in the public sector.
4. Basis for recognition and measurement of assets and liabilities in the public sector.
5. Some public sector accounting concepts: fund accounting, commitment accounting, and appropriation/vote accounting

C Legal & Regulatory Framework for Public Financial Management: The 1992 Constitution of Ghana, the Financial Administration Act (FAA), - The Financial Administration Regulation [FAR]

1. Key public financial management and accounting issues in the 1992 Constitution of Ghana.



- 2 Duties of the Minister of Finance and the Controller and Accountant-General
- 3 Public Funds and its constituents.
- 4 Process of payments into the Consolidated Funds.
- 5 Process of appropriation of public money.
- 6 Modalities for making payments out of the Consolidated Fund.
- 7 Dealing with balance of appropriation is dealt with.
- 8 Process of investing public moneys in securities.
- 9 Loans and advances from the Consolidated Fund are regulated.
- 10 Process of preparing Government's Estimates of Revenue and Expenditure.
- 11 Process of regulating collection and custody of tax and non-tax revenue.
- 12 Process of acquisition, keeping, issuing and accounting for Government Stores.
- 13 Preparation of financial statements for Public Funds and Consolidated funds with reference to basis of accounts, classification of accounts, frequency of reporting, content of the financial statements and format of presentation.
- 14 Basis of audit of the Consolidated Fund Accounts and other Public Funds accounts.
- 15 Accounting systems prescribed for Statutory Corporations and Other Public boards

D Public Procurement: The Public Procurement Act

- 1 Governing structure of the Procurement Board.
- 2 Procurement structures in the Public Procurement Act.
- 3 Procurement rules in the Public Procurement Act.
- 4 Methods of procurement in the Public Procurement Act.
- 5 Tendering procedures with particular reference to invitation of tenders, submission of tenders and evaluation and comparison of tenders.
- 6 Methods and procedures for engaging the services of consultants.
- 7 Review procedures under the Public Procurement Act.
- 8 Procedure for disposal of stores, plant and equipment.

E Budgets and Budgeting in the Public Sector

- 1 Budget and budgeting in the public sector context.
- 2 Objectives of budgeting.
- 3 Format and contents of the public sector budget.
- 4 Processes in the budget cycle: budget formulation, budget authorization, budget approval, budget execution, and reporting, monitoring & evaluation.
- 5 Alternative approaches to budgeting in the public sector such as: incremental budgeting, zero-based budgeting, programme budgeting, output/outcome budgeting, and hybrid approaches to budgeting.
- 6 Concept of virement and the circumstances under which it is allowed.
- 7 Public expenditure survey features and objectives.
- 8 Medium Term Expenditure Framework (MTEF) and long term development plans.
- 9 Budget outturn reports based on IPSAS 24: Presentation of Budget Information in Financial Statements.
- 10 Budgeting as a tool for public accountability.
- 11 Advantages of budgeting in the public sector.
- 12 Relationship between Government policy and the annual budget.
- 13 Limitations of budgeting.

F Revenue Management and Expenditure Control

- 1 Sources of revenue for the different forms of public sector organisations such as: central government, local government, State Owned Enterprises and NGO's.



- 2 Objectives of taxation within the context of the public sector.
- 3 Different types of taxes and their characteristics.
- 4 Internal controls over revenue
- 5 Tools for expenditure control
- 6 Government Chart of Accounts.
- 7 Features and general principles of Government Chart of Accounts proposed by 2001 and 2011 Government Finance Statistics Manuals
- 8 Ghana Integrated Financial Management Information Systems [GIFMIS]

G Overview of International Public Sector Accounting Standards (IPSAS)

- 1 Nature, Scope and Objectives of IPSAS
- 2 The Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities
3. General outline of IPSASs [Contents, Application and Disclosures]

H Financial Reporting for Central and Local Government and NGOs

- 1 Features of the general Government Sector.
- 2 Features of the local government system and decentralization process.
- 3 Financial statements for MDAs and MMDAs on Cash Basis IPSAS.
- 4 Financial statements for MDAs and MMDs on Accrual Basis IPSAS (IPSAS 1, 2, 3, 4, 14, 18, 22, 24).
- 5 Consolidated financial statements for whole of Government (IPSAS 6, 7, 8, 20).
- 6 Financial statements of NGOs

I Accountability and Value for Money in the Public Sector

- 1 The concept of public accountability.
- 2 Mechanisms for ensuring public accountability.
- 3 Mechanisms for ensuring value for money in the public sector.
- 4 Corporate governance principles for governing public sector entities.
- 5 Roles of the following structures in ensuring public accountability: Department of the Controller & Accountant General, Internal Audit Agency, Auditor General Department, Public Accounts Committee of Parliament, Finance Committee of Parliament

J Accounting for Public Private Partnerships

- 1 Public Private Partnerships (PPP).
- 2 Different types of PPP arrangements.
- 3 Uses of Public Private Partnerships.
- 4 IPSAS 13 and 32 and accounting for PPPs.

RECOMMENDED/REFERENCE TEXT

1. ICAG Study Manual: Public Sector Accounting and Finance
2. Oduro, R (2014). Public Sector Accounting. 2nd ed,
3. Ampadu, A (2014). Public Sector Accounting. EPP Book Services
4. Agariga, E (2014), Public Sector Accounting. Ziphin Business World
5. IPSASB (2014), International public sector accounting standards.



OTHER REFERENCE MATERIALS

- 1 1992 Constitution of Ghana
- 2 The Financial Administration Act, 2003 (Act 654)
- 3 The Financial Administration Regulations 2004, LI 1802
- 4 Local Government Act, 1993 (Act 462)
- 5 Internal Audit Agency Act, 2003 (Act 658)
- 6 Audit Service Act, 2000 (Act 584)
- 7 The Public Procurement Act, 2003 (Act 663)
- 8 Local Government Financial Memoranda

PAPER 2.6: CORPORATE STRATEGY, ETHICS AND GOVERNANCE

AIM

This paper is designed to equip candidates with the skills in the formulation, selection and implementation of corporate strategy. It acquaints candidates with the concepts and principles of strategic management and builds on their knowledge acquired from previous studies in the functional area of management to solve business problems/cases. Emphasis is on the ability of candidates to diagnose organisational problems and provide options for dealing with them.

SCOPE

The paper commences with overview of strategic management and addresses the concepts of corporate mission, vision and objective. It examines strategic design, implantation and evaluation.

The next part of the paper examines corporate ethical issues. Issues such as the meaning of ethics, business ethics across organizational functions, ethics in a global economy, core element of ethical reform, analyzing ethical problems in business, model of ethical Judgment, and healthy competition and protecting consumers' interest are covered.

The third part of the paper covers principles and practice of corporate governance. Issues covered include meaning and importance of Corporate Governance; theoretical aspects of Corporate Governance; Code of best practices in Corporate Governance and commonly accepted principles of Corporate Governance

SPECIFIC OBJECTIVES

On successful completion of this paper candidates should be able to:

- A. Explain the differences of strategic planning and operational planning
- B. Explain the nature and use of objectives
- C. Explain the use and importance of a balanced score card
- D. Draw the significance of business ethics and corporate governance
- E. Explain the competitive forces in an industry



- F. Explain the concepts of core competences, capabilities and the value chain
- G. Examine the role of SWOT analysis for assessing the external and internal environments
- H. Assess value chain as a model for managing generic strategy and strategic activities
- I. Assess various corporate level strategies
- J. Examine strategic approaches for global level issues
- K. Solve cases

SYLLABUS WEIGHTING GRID

This grid shows the relative weightings of topics within this subject and should guide the comparative study time spent on each. The marks available in the assessment will equate to

	SYLLABUS COVERAGE	WEIGHT (%)
A	Overview of strategic management	5
B	Developing organizational mission and objectives	5
C	Analyzing the External and Internal Organizational Environments	5
D	Strategic Management and International Operations	5
E	Strategic Alternatives, Analysis and Selection	5
F	Strategy Implementation – Management issues	5
G	Strategy Implementation: Marketing and Operations Issues	5
H	Strategy Implementation – Financial and Human Resource Management Issues	10
I	Strategy Evaluation and Control	5
J	Business Ethics	10
K	Corporate Social Responsibility	10
L	Corporate Governance: Framework and Mechanism	10
M	The Role of Boards in Corporate Governance	10
N	The Role of Transparency in Corporate Governance	10
	TOTAL	100

FORM OF EXAMINATION

The examination will be a three hour paper consisting of a compulsory case study (of 40 marks) and five other questions out of which three questions must be answered

DETAILED STRUCTURE

A Overview of Strategic Management

- 1 The Nature of Strategic Management
- 2 Critical Tasks of Strategic Management
- 3 Dimensions of Strategic Management
- 4 Stages of Corporate Development
- 5 The Different Levels of Strategic Management
- 6 The Phases of Strategic Management
- 7 Benefits of Strategic Management
- 8 Role of Strategy in Management Decision Making

B Developing Organizational Mission and Objectives

- 1 Meaning and Importance of Mission Statements
- 2 Components of a Mission Statement

ICAG



- 3 The Nature and Importance of Organizational Objectives
- 4 Characteristics of Organizational Objectives
- 5 Critical Success Factors
- 6 The Balanced Score Card

C Analyzing the External and Internal Organizational Environments

- 1 The external Environment
- 2 The POSTEL framework
- 3 Key External Forces
- 4 Purposes of Industry and Competitive Analysis
- 5 Process of Industry and Competitive Analysis
- 6 Industry life cycle
- 7 Analyzing the Internal Organizational Environment
- 8 Analyzing the Internal Environment
- 9 Value Chain Analysis
- 10 The Resource Based View Strategy
- 11 Total Quality Management
- 12 Using SWOT Analysis for Strategic Decisions

D Strategic Management and International Operations

- 1 Fundamentals of the International Business Situation
- 2 Concept of Globalization
- 3 Strategic Management and the International Arena
- 4 Strategy Formulation and International Operations

E Strategic Alternatives: Analysis and Selection

- 1 Generic Strategies
- 2 Corporate Strategy Alternatives
- 3 Diversification Strategies
- 4 Defensive/Harvesting Strategies
- 5 Combination Strategies
- 6 International Strategies Choices
- 7 Boston consulting Group's Growth Share Matrix
- 8 Planning Grid
- 9 Life Cycle Approach
- 10 Profit-Impact of Market Strategy Model

F Strategy Implementation – Management issues

- 1 The Rational for Strategy Implementation
- 2 Communicating Strategy
- 3 Choosing an Effective Organizational Structure
- 4 Centralization and Decentralization
- 5 Basic Structure for Organizational Design
- 6 Organizational Leadership
- 7 Matching Culture to Strategy
- 8 Rewarding for the Organization's Performance



G Strategy Implementation: Marketing and Operations Issues

- 1 Importance of Functional Strategies
- 2 Marketing Issues
- 3 Marketing Strategies and Marketing Mix
- 4 Operations Issues
- 5 Research and Development Issues

H Strategy Implementation – Financial and Human Resource Management Issues

- 1 Overview of the Finance Function
- 2 Methods of Raising Share Capital
- 3 The Agency Problem and Control of Companies
- 4 Dividend Policy
- 5 Working Capital Management
- 6 Changes in Working Capital
- 7 Determinant of Working Capital
- 8 Strategies for Facing Cash Crisis
- 9 Investment Appraisal Techniques
- 10 Lease or Buy Decision
- 11 Evaluating Prospective Mergers
- 12 The Human Resource Functions
- 13 Cross-Functional Implications of Strategy Implementation

I Strategy Evaluation and Control

- 1 Strategic Controls
- 2 Setting up Strategic Controls
- 3 Evaluating Corporate Strategy
- 4 Management Control in the Strategic Context
- 5 Unpredictable Changes
- 6 Key Players in the Strategic Control Process

J Business Ethics

- 1 The Meaning of Ethics
- 2 Business Ethics across Organizational Functions
- 3 Why Ethical problems occur in Business
- 4 Ethics in a Global Economy
- 5 Ethics, Law and Illegal Corporate Behaviour
- 6 The Core Element of Ethical Reform
- 7 Analyzing Ethical problems in Business
- 8 Model of Ethical Judgment
- 9 Ethics and Accounting: A Decision-Making Model
- 10 Healthy competition and protecting consumers' interest
- 11 Protecting the natural environment

K Corporate Social Responsibility

- 1 The Meaning of Corporate Social Responsibility
- 2 Evolution of Corporate Social Responsibility
- 3 Basic elements of Social Responsibility



- 4 The limits of Corporate Social Responsibility
- 5 Economic, Legal, and Social Responsibilities
- 6 Areas of Social Responsibility
- 7 Corporate Social Responsibility in a Global Context
- 8 Implementing Social Responsibility Programmes
- 9 Key Elements of Managing the Social Responsibility

L Corporate Governance: Framework and Mechanism

- 1 Meaning and Importance of Corporate Governance
- 2 Theoretical Aspects of Corporate Governance
- 3 Agency Theory
- 4 Transaction Cost Theory
- 5 Stakeholder's theory
- 6 Development of Corporate Governance Codes
- 7 Code of Best Practices in Corporate Governance
- 8 Introduction to Corporate Governance Systems Worldwide
- 9 Commonly Accepted Principles of Corporate Governance in Ghana

M The Role of Boards in Corporate Governance

- 1 Directors and Board Structure
- 2 The role of Non-Executive Directors
- 3 Directors in Corporate Governance
- 4 Executive Remuneration
- 5 The Role of Institutional Investors in Corporate Governance

N The Role of Transparency in Corporate Governance

- 1 Disclosure and Corporate Governance
- 2 Internal Control and Corporate governance
- 3 The Role of Audit in Corporate Governance

RECOMMENDED/REFERENCE TEXTS

1. ICAG Study Manual: Corporate Strategy, Ethics and Governance.
2. Wheelen, T. L., & Hunger, J. D. (2011). Concepts in strategic management and business policy. Pearson Education India.
3. Johnson, G., Scholes, K., & Whittington, R. (2008). Exploring corporate strategy: text & cases. Pearson Education.
4. Lynch, R. L. (2006). Corporate strategy. Prentice Hall
5. Solomon, J. (2007). Corporate governance and accountability. John Wiley & Sons.



LEVEL 3: PROFESSIONAL LEVEL

PAPER 3.1: CORPORATE REPORTING



AIM

To apply knowledge, skills and exercise professional judgement in the application and evaluation of financial reporting principles and practices in a range of business contexts and situations.

SCOPE

The syllabus for Paper 3.1, Corporate Reporting, assumes knowledge acquired at the knowledge and application levels including the core technical capabilities to prepare and analyse financial reports for single and combined entities. The Paper 3.1 syllabus takes the subject into greater depth and contextualises the role of the accountant as a professional steward and adviser/analyst by initially exploring the wider professional duties and responsibilities of the accountant to the stakeholders of an organisation.

The syllabus examines the financial reporting framework within which the accountant operates and examines detailed financial reporting requirements for entities leading to the preparation of group financial reports in accordance with generally accepted accounting practice and relevant standards.

The syllabus then deals with the nature of reporting for specialised entities including capital reduction schemes and business/share valuation.

The final sections of the syllabus explore – in more depth – the role of the accountant as financial analyst and adviser through the assessment of financial performance and position of entities, and the accountant's role in assessing and advising on the implications of accounting regulation on corporate reporting.

Finally, the syllabus covers the evaluation of current developments and their implications for financial reporting.

SPECIFIC OBJECTIVES

On successful completion of this paper candidates should be able to:

- A Discuss the professional and ethical duties of the accountant
- B Evaluate the financial reporting framework
- C Advise on and report the financial performance of entities
- D Prepare the financial statements of groups of entities in accordance with relevant accounting standards



- E Explain reporting issues relating to specialised entities
- F Discuss the implications of changes in accounting regulation on financial reporting
- G Appraise the financial performance and position of entities
- H Evaluate current developments

SYLLABUS WEIGHTING GRID

This grid shows the relative weightings of topics within this subject and should guide the comparative study time spent on each. The marks available in the assessment will equate to the weightings below. However, there might be slight variations in some instances as they serve as a guide only.

	SYLLABUS COVERAGE	WEIGHT (%)
A	The Professional and ethical duty of an accountant	10
B	The financial reporting framework	5
C	Financial Reporting Standards	20
D	Consolidated financial statements	20
E	Specialised entities and specialized transactions	15
F	Appraisal of financial performance	15
G	Current Developments in Financial Reporting	15
	TOTAL	100

FORM OF EXAMINATION

The examination will be a three-hour paper consisting of five compulsory questions.

DETAILED SYLLABUS

A The professional and ethical duty of the accountant

- Professional behaviour and compliance with accounting standards
- Ethical requirements of corporate reporting and the consequences of unethical behaviour
- Social responsibility

B The financial reporting framework

- The applications, strengths and weaknesses of an accounting framework
- Critical evaluation of principles and practices

C Financial Reporting Standards

- Performance reporting
- Non-current assets
- Financial instruments [Presentation, Recognition, Measurement, Derivatives, Hedge Accounting and Disclosures]
- Leases
- Segment reporting



6. Employee benefits
7. Income taxes [Current tax and Deferred tax]
8. Provisions, contingencies and events after the reporting date
9. Related parties
10. Share-based payment
11. Fair value measurement

Note

Candidates are expected to demonstrate deep understanding of all IFRSs [including those examinable in earlier levels]

D Consolidated Financial Statements

1. Overview of Regulatory Framework for Preparing Consolidated Financial Statements
2. Overview of basic consolidated financial statements involving Parent, Subsidiaries, Associates and Joint Ventures
3. Changes in group structures (Piecemeal Acquisitions, Disposal of Subsidiaries, Group Restructuring and Reverse Acquisition)
4. Complex Group Structures (Sub-subsidary structure and Mixed-group structure)
5. Consolidated Statement of Cash Flows
4. Foreign transactions and foreign subsidiaries

E Specialised entities and specialized transactions

1. Capital Reduction Scheme: Designing and Implementing Capital Reduction Schemes
2. Accounting for Price Level Changes
 - Current cost accounting
 - Current purchasing power accounting
3. Business Valuation for Initial Public Offers, Mergers and Acquisitions
4. Stock Exchange Listing Requirements

F The appraisal of financial performance and position of entities

1. The creation of suitable accounting policies
2. Analysis and interpretation of financial information and measurement of performance
3. Corporate failure prediction

G Current developments in Financial Reporting

1. The effect of changes in accounting standards on accounting systems
2. Sustainability, Environmental and Social reporting
3. Integrated Reporting
4. Convergence between national and international reporting standards
5. Current reporting issues

LIST OF RECOMMENDED TEXT

1. ICAG Study Manual: Corporate Reporting.
2. Addo, A (2014). Advanced financial reporting. Black Mask Ltd
3. Lewis, R., & Pendrill, D. (2004). Advanced financial accounting. Pearson Education.
4. IASB (2014). International financial reporting standards



PAPER 3.2: ADVANCED AUDIT AND ASSURANCE

AIM

To analyse, evaluate and conclude on the assurance engagement and other audit and assurance issues in the context of best practice and current developments.

SCOPE

The syllabus starts with the legal and regulatory environment and covers money laundering, professional and ethical considerations, including the Code of Ethics and professional liability. This then leads into procedures in practice management, including quality control and the acceptance and retention of professional engagements. The syllabus then covers the audit of financial statements, including planning, evidence and review. It then covers other assignments including prospective financial information, and other assurance assignments, as well as the reporting of these assignments. The final section covers current issues and developments relating to the provision of audit related and assurance services.

SPECIFIC OBJECTIVES

On successful completion of this paper candidates should be able to:

- A Recognise the legal and regulatory environment and its impact on audit and assurance practice
- B Demonstrate the ability to work effectively on an assurance or other service engagement within a professional and ethical framework
- C Assess and recommend appropriate quality control policies and procedures in practice management and recognise the auditor's position in relation to the acceptance and retention of professional appointments
- D Identify and formulate the work required to meet the objectives of audit assignments and apply the International Standards on Auditing
- E Identify and formulate the work required to meet the objectives of non-audit assignments
- F Evaluate findings and the results of work performed and draft suitable reports on assignments
- G Understand the current issues and developments relating to the provision of audit related and assurance service

SYLLABUS WEIGHTING GRID

This grid shows the relative weightings of topics within this subject and should guide the comparative study time spent on each. The marks available in the assessment will equate to the weightings below. However, there might be slight variations in some instances as they serve as a guide only.



	SYLLABUS COVERAGE	WEIGHT (%)
A	Regulatory Environment	10
B	Professional and Ethical Considerations	10
C	Practice Management	10
D	Audit of Historical Financial information	20
E	Internal Audit function	10
F	Audit of the Public Sector	10
G	Other Audit and Assurance Assignments	10
H	Reporting	10
I	Current Developments	10
	TOTAL	100

FORM OF EXAMINATION

The examination will be a three-hour paper consisting of five compulsory questions.

DETAILED SYLLABUS

A Regulatory Environment

1. International regulatory frameworks for audit and assurance services
2. Money laundering
3. Laws and regulations

B Professional and Ethical Considerations

1. Code of Ethics for Professional Accountants
2. Fraud and error
3. Professional liability

C Practice Management

1. Quality control
2. Advertising, publicity, obtaining professional work and fees
3. Tendering
4. Professional appointments

D Audit of historical financial information

1. Planning, materiality and assessing the risk of misstatement
2. Evidence
3. Evaluation and review
4. Group audits and Joint Audit

E. Internal Audit Function

1. The role of Internal Audit in Corporate Governance and its relationship with Risk Management Function



2. The International Professional Practices Framework (IPPF) issued by the Institute of Internal Auditors (IIA), Florida, USA
 - Mandatory Guidance of the IPPF
 - i. Definition of Internal Auditing
 - ii. The IIA Standards
 - iii. Internal Audit Code of Ethics
3. Internal Audit and Audit Committee
 - i. Internal Audit Charter
 - ii. Audit Committee Charter
 - iii. Responsibilities of the Audit Committee
4. Assurance and Consultancy Engagements (Differences)
5. The Concept of Risk Based Internal Auditing (RBIA)
 - i. Definition and Explanation of RBIA
 - ii. The advantages and Challenges of RBIA
6. Risk Based Annual Audit Plan
7. Planning, Conducting and Reporting on RBIA engagements (including application of relevant IIA Standards)
8. Follow-up on Implementation of Internal Audit Recommendations
9. Quality Assessment of the Internal Audit Function

F. Audit of the Public Sector

1. Auditor General
2. Outsourcing of public sector audit
3. Audit of MDA's and MMDA's
4. Auditor General's Report
5. Public Accounts Committee of Parliament
6. Implementation of Audit Recommendations
7. Audit Report Implementation Committee (ARIC)
8. Internal Audit Agency

G. Other assignments

1. Audit-related services
2. Assurance services
3. Prospective financial information
4. Investigations
5. Forensic audits
6. ISO Audit
6. Outsourcing

H Reporting

1. Auditor's reports
2. Reports to those charged with governance and management
3. Other reports

I Current Issues and Developments

1. Professional and ethical



2. Information technology
3. Transnational audits
4. Social and environmental auditing
5. Other current issues

LIST OF RECOMMENDED TEXT:

1. ICAG: Study Manual: Advanced Audit and Assurance.
2. International Standards on Auditing.
3. Omane-Antwi, K. B. (2009). Auditing: Theory and Practice (The Auditing Compendium). Tema: Dig books Ghana Ltd
4. Woolf, E., and Riches, J. (1997). Auditing today. Heme1 Hempstead: Prentice Hall

PAPER 3.3: ADVANCED FINANCIAL MANAGEMENT

AIM

To apply relevant knowledge, skills and exercise professional judgement as expected of a senior financial executive or advisor, in taking or recommending decisions relating to the financial management of an organisation.

SCOPE

This syllabus develops upon the core financial management knowledge and skills covered in the Paper 2.4 Financial Management syllabus and prepares candidates to advise management and/or clients on complex strategic financial management issues facing an organisation.

The syllabus starts by exploring the role and responsibility of a senior executive or advisor in meeting competing needs of stakeholders within the business environment of multinationals. The syllabus then re-examines investment and financing decisions, with the emphasis moving towards the strategic consequences of making such decisions in a domestic, as well as international, context.

Candidates are then expected to develop further advisory skills in planning strategic acquisitions and mergers and corporate re-organisations. The next part of the syllabus re-examines, in the broadest sense, the existence of risks in business and the sophisticated strategies which are employed in order to manage such risks. It builds on what candidates would have covered in the P2.5, Financial Management, syllabus. The syllabus finishes by examining the impact of emerging issues in finance.

SPECIFIC OBJECTIVES

On successful completion of this paper, candidates should be able to:

- A Explain and evaluate the role and responsibility of the senior financial executive or advisor in meeting conflicting needs of stakeholders
- B Evaluate the impact of macroeconomics and recognize the role of international financial Institutions in the financial management of multinationals
- C Evaluate potential investment decisions and assessing their financial and strategic consequences, both domestically and internationally



- D Assess and plan acquisitions and mergers as an alternative growth strategy
- E Evaluate and advise on alternative corporate reorganisation strategies
- F Apply and evaluate alternative advanced treasury and risk management techniques
- G Identify and assess the potential impact of emerging issues in finance and financial management.

SYLLABUS WEIGHTING GRID

This grid shows the relative weightings of topics within this subject and should guide the comparative study time spent on each. The marks available in the assessment will equate to the weightings below. However, there might be slight variations in some instances as they serve as a guide only.

	SYLLABUS COVERAGE	WEIGHT (%)
A	Role and responsibility towards stakeholders	10
B	Economic environment for multinational organisations	10
C	Advanced investment appraisal	20
D	Acquisitions and mergers	20
E	Corporate restructuring and re-organisation	15
F	Treasury and Risk Management Techniques	15
G	Emerging Issues in Finance and Financial Management	10
	TOTAL	100

FORM OF EXAMINATION

The examination will be a three-hour paper consisting of five compulsory questions.

DETAILED SYLLABUS

A Role and responsibility towards stakeholders

1. The role and responsibility of senior financial executive/advisor
2. Financial strategy formulation
3. Conflicting stakeholder interests
4. Ethical issues in financial management
5. Impact of environmental issues on organisational objectives and on governance

B Economic environment for multinational organisations

1. Management of international trade and finance
2. Strategic business and financial planning for multinational organisations

C Advanced investment appraisal

1. Discounted cash flow techniques
2. Application of option pricing theory in investment decisions
3. Impact of financing on investment decisions and adjusted present values
4. Valuation and the use of free cash flows



5. International investment and financing decisions
6. Pricing of assets and liabilities in financial institutions

D Acquisitions and mergers

1. Acquisitions and mergers versus other growth strategies
2. Valuation for acquisitions and mergers
3. Regulatory framework and processes
4. Financing acquisitions and mergers

E Corporate reconstruction and re-organisation

1. Financial reconstruction
2. Business re-organisation

F Treasury and advanced risk management techniques

1. The role of the treasury function in multinationals
2. The use of financial derivatives to hedge against forex risk
3. The use of financial derivatives to hedge against interest rate risk
4. Dividend policy in multinationals and transfer pricing in Multi-national companies

G Emerging issues in finance and financial management

1. Developments in world financial markets
2. Developments in international trade and finance
3. Developments in Islamic financing

LIST OF RECOMMENDED TEXT

1. ICAG Study Manual: Advanced financial management.
2. Brealey, R. A., & Myers, S. C. (2000). Principles of corporate finance. 4th ed, McGraw
3. Brealey, R. A. (2012). Principles of corporate finance. Tata McGraw-Hill Education.
4. Ross, S. A. (2008). Modern financial management-/Stephen A. Ross.[et al.]. New York [etc.]: McGraw-Hill/Irwin.
5. Ross, S. A., & Westerfield, R. (2006). Corporate finance: fundamentals, 7th international ed. Irwin
6. Pandey, I. M. (1999). Financial Management–Vikas Publishing House Pvt. Ltd.



PAPER 3.4: TAXATION AND FISCAL POLICY

AIM

To apply relevant knowledge and skills and exercise professional judgment in providing relevant information and advice to individuals and businesses on the impact of the major taxes on financial decisions and situations.

SCOPE

The Taxation and Fiscal Policies paper outlines the basic principles of taxation. It seeks to examine the candidates' ability to apply taxation principles to the issues commonly

encountered by individuals and businesses. Candidates should have the ability to interpret and analyse the information provided as well as communicate the outcomes in a manner appropriate to the intended audience.

The syllabus builds on the basic knowledge of core taxes and introduces candidates to stamp duty. Computations will normally only be required in support of explanations or advice and not in isolation. This paper seeks to develop candidates' skills of analysis, interpretation and communication. Candidates are expected to be able to use established tax planning methods and consider current issues in taxation.

SPECIFIC OBJECTIVES

On successful completion of this paper candidates should be able to:

- A Apply knowledge and understanding of the Ghana tax system
- B Explain and compute the tax liabilities of partnerships, individual companies and groups of companies
- C Explain and compute the chargeable gains arising on companies and individuals
- D Explain and compute the inheritance tax liabilities of individuals
- E Explain and compute the effect of social security contributions and pension funds
- F Explain and compute the effects of value added tax on incorporated and unincorporated businesses
- G Identify and explain the obligations of tax payers and/or their agents and the implications of non-compliance
- H Identify and evaluate the impact of relevant taxes on various situations and courses of action, including the interaction of taxes
- I Provide advice on minimising and/or deferring tax liabilities by the use of standard tax planning measures
- J Communicate with clients, the Ghana Revenue Authority and other professionals in an appropriate manner.
- K Understand and explain taxation of natural resources, including petroleum.
- L Understand and apply fiscal policy measures in relation to taxation as a tool for economic management.
- M Determine/calculate the net amount of tax (owed by business and individuals).

SYLLABUS WEIGHTING GRID

This grid shows the relative weightings of topics within this subject and should guide the comparative study time spent on each. The marks available in the assessment will equate to the weightings below. However, there might be slight variations in some instances as they serve as a guide only.



	SYLLABUS COVERAGE	WEIGHT (%)
A	Ghana Tax System	10
B	Income Tax Liabilities	10
C	Corporate tax liabilities	10
D	Chargeable gains	5
E	Gift tax	5
F	Value Added Tax and Customs duties	10
G	Tax Administration	10
H	Impact of Taxes on business situations	5
I	Minimising and/or deferring tax liabilities by the use of standard tax planning measures	5
J	Communicating with clients, GRA and other professionals	10
K	Taxes on Natural Resources including Petroleum	10
L	Fiscal Policy	10
	TOTAL	100

FORM OF EXAMINATION

The examination will be a three-hour paper consisting of five compulsory questions.

DETAILED SYLLABUS:

A Ghana Tax System

1. History of Taxation in Ghana
2. The overall function and purpose of taxation in a modern economy
3. Classification of taxes
4. Principal sources of revenue law and practice
5. Basic Principles of taxation– entity, time period, jurisdiction and character variables
6. Tax avoidance and tax evasion
7. Chargeable gains and capital gains tax liabilities in situations involving overseas aspects and in relation to closely related persons and the application of additional exemptions and reliefs.
8. Stamp duty.
9. Social Security Contributions and Pension Funds.,
10. Value Added Tax, Excise Duty, Communication Tax, Hotel Tax, Service Tax
11. Governance Structure of Ghana Revenue Authority

B. Income tax liabilities

1. The scope of income tax
2. Income from employment
3. Income from business, including partnerships
4. Property and investment income
5. Comprehensive computation of taxable income and income tax liability, including capital allowances
6. The use of exemptions and reliefs in deferring and minimising income tax liabilities



C. Corporate tax liabilities

1. The scope of corporate tax
2. Taxable total profits
3. The comprehensive computation of corporate tax liability
4. The effect of a group corporate structure for corporate tax purposes
5. The use of exemptions and reliefs in deferring and minimising corporate tax liabilities

D. Chargeable gains

1. The scope of the taxation of capital gains
2. The basic principles of computing gains and losses.
3. Gains and losses on the disposal of movable property
4. Gains and losses on the disposal of shares and securities
5. The computation of capital gains tax payable
6. The use of exemptions and reliefs in deferring and minimising tax liabilities arising on the disposal of capital assets

E. Gift tax

1. The scope of Gift tax
2. The basic principles of computing transfers of value
3. The liabilities arising on chargeable lifetime transfers and on the death of an individual
4. The use of exemptions in deferring and minimising inheritance tax liabilities
5. Payment of Gift tax

F. Value added tax Customs Duties

1. The scope of value added tax (VAT)
2. The VAT registration requirements
3. The computation of VAT liabilities
4. The effect of special schemes
5. Imposition calculation, exemptions, remissions and refund of customs duties
6. Imposition calculation and exemptions from excise duty

G. Tax Administration

1. The systems for self-assessment and the making of returns
2. The time limits for the submission of information, claims and payment of tax, including payments on account in respect of all tax types
3. The procedures relating to compliance checks, appeals and disputes
4. Penalties for non-compliance
5. Tax Administration Reforms

H. The impact of relevant taxes on various business situations and courses of action, including the interaction of taxes

1. Taxes applicable to a given situation or course of action and their impact.
2. Alternative ways of achieving personal or business outcomes may lead to different tax consequences.
3. Taxation effects of the financial decisions made by businesses (corporate and unincorporated) and by individuals.
4. Tax advantages and/or disadvantages of alternative courses of action.
5. Statutory obligations imposed in a given situation, including any time limits for action and the implications of non-compliance.



I Minimising and/or deferring tax liabilities by the use of standard tax planning measures

1. Types of investment and other expenditures that will result in a reduction in tax liabilities for an individual and/or a business.
2. Legitimate tax planning measures, by which the tax liabilities arising from a particular situation or course of action can be mitigated.
3. The appropriateness of such investment, expenditure or measures, given a particular taxpayer's circumstances or stated objectives.
4. The mitigation of tax in the manner recommended, by reference to numerical analysis and/or reasoned argument.
5. Tax incentives for various business sectors, including Free Zones, and their influence on business set up options; approaches to availing a business of tax incentives.
5. Ethical and professional issues arising from the giving of tax planning advice.
6. Current issues in international taxation – double taxation, transfer pricing, thin capitalisation, income splitting, etc.

J Communicating with clients, GRA and other professionals

1. Communication of advice, recommendations and information in the required format.
2. Presentation of written information, in language appropriate to the purpose of the communication and the intended recipient.
3. Conclusions reached with relevant supporting computations.
4. Assumptions made or limitations in the analysis provided, together with any inadequacies in the information available and/or additional information required to provide a fuller analysis.
5. Other non-tax factors that should be considered.

K Taxes on Natural Resources including Petroleum

1. Explanation of the provisions in the administration of mining and minerals.
2. Computation of royalty payable, corporate tax payable by mining companies.
3. Computation of capital allowances, treatment of losses.
4. Discussion of various revenues available to Government from petroleum exploration and production.

L Fiscal Policy

1. Explanation of the use and application of taxation as a tool of fiscal policy to stabilize the economy.
2. Analysis of public debt as an alternative to taxation, its causes and consequences
3. Examination of Intergovernmental fiscal relations and Ghana's experience with revenue allocation.
4. Evaluation of the theory and practice of grants in relation to local governments.

RECOMMENDED/REFERENCE TEXTS

1. ICAG Study Manual: Taxation and fiscal policies.
2. Ali-Nakyee, A. (2006). Taxation in Ghana: principles, practice and planning. Accra: Black Mask Ltd



3. Akakpo, V. K.A. (2009). Principles, Concepts and Practice of Taxation. (3rd ed).Accra Black Mask Ltd
4. Agyeman, D. E. (2005). Income Tax, Gift Tax and Capital Gains Tax–with Supplementary Questions. Accra: EDA Publications.

RELEVANT LEGISLATION

CEPS (Management) Act 1993 (PNDCL 330), with Amendments.
 Internal Revenue Act 2000 (Act 592), with Amendments.
 Internal Revenue Regulations, 2001 (I.I. 1675), with Amendments.
 Minerals and Mining Act, 2006 (Act 703).
 Mineral (Royalties) Regulations, 1987 (L1 1349).
 VAT Act 1998 (Act 546), with Amendments.
 VAT Regulation Act, 1998 (L1 1646), with Amendments
 VAT Act 2013 (Act 872)
 Free Zones Act, 1995 (Act 504)
 Communications Service Tax Act, 2008 (Act 754)
 National Health Insurance Act, 2012 (Act 852)

EXEMPTION POLICY

1. Holders of the following qualifications (awarded by recognised institutions) are exempted from all Level 1 papers and Paper 2.3 'Audit and Assurance'.
 - HND Accounting Option
 - GAT/ATSWA
2. Holders of University degree in accountancy are exempted from all Level 1 papers, Paper 2.3 - Audit and Assurance and Paper 2.4 - Financial Management
3. Holders of any Diploma certificate in accounting awarded by recognized tertiary institutions are exempted from all Level 1 papers. [Diploma in Business Studies [DBS] awarded by Technical Examinations Division of Ghana Education Service does not qualify for this exemption].
4. Holders of university degrees (other than those specified in (2) above) and comparable professional qualifications recognized by the Institute would be granted exemption on subject by subject basis on the merit of subjects passed (as indicated on the academic transcript).
5. Holders of masters degree (accounting option) awarded by recognized universities would be granted exemption from all Level 1 papers and Level 2 papers [except Public Sector Accounting and Finance].
6. Exemptions would not be extended to any paper in Level 3. Level 3 papers are to be written and passed by all students.



TRANSITIONAL ARRANGEMENTS

OLD AND NEWLY APPROVED STRUCTURES

SR	OLD STRUCTURE	NEW STRUCTURE
	PART 1	LEVEL 1
1	Financial Accounting Fundamentals	1.1 Financial Accounting
2	Business Management	1.2 Business Management and Information Systems
3	Business Information Systems	1.3 Business and Corporate Law
4	Economics	1.4 Quantitative Tools in Business
	PART 2	LEVEL 2
5	Quantitative Tools in Business	2.1 Financial Reporting
6	Business and Corporate Law	2.2 Management Accounting
7	Audit and Internal Review	2.3 Audit and Assurance
8	Principles of Taxation	2.4 Financial Management
		2.5 Public Sector Accounting and Finance
	PART 3	2.6 Corporate Strategy, Ethics and Governance
9	Financial Reporting	
10	Public Sector Accounting	
11	Cost and Management Accounting	
12	Financial Management	
	PART 4	LEVEL 3
13	Advanced Financial Reporting	3.1 Corporate Reporting
14	Advanced Auditing and Professional Ethics	3.2 Advanced Audit and Assurance
15	Advanced Taxation and Fiscal Policies	3.3 Advanced Financial Management
16	Corporate Strategy and Governance	3.4 Taxation and Fiscal Policies



EXEMPTIONS/CONVERSIONS: INDIVIDUAL SUBJECTS

SR	OLD PASS	CONVERTED PASS/EXEMPTION
1	Financial Accounting Fundamentals	Financial Accounting
2	Business Management	Business Management and Information Systems
3	Business Information Systems	Business Management and Information Systems
4	Economics	N/A
5	Quantitative Tools in Business	Quantitative Tools in Business
6	Business and Corporate Law	Business and Corporate Law
7	Audit and Internal Review	Audit and Assurance
8	Principles of Taxation	N/A
9	Financial Reporting	Financial Reporting
10	Public Sector Accounting	Public Sector Accounting and Finance
11	Cost and Management Accounting	Management Accounting
12	Financial Management	Financial Management
13	Advanced Financial Reporting	Corporate Reporting
14	Advanced Auditing and Professional Ethics	Advanced Audit and Assurance
15	Advanced Taxation and Fiscal Policies	Taxation and Fiscal Policies
16	Corporate Strategy and Governance	Corporate Strategy, Ethics and Governance

EXEMPTIONS/CONVERSIONS: LEVELS/PARTS

SR	OLD PART : Completed	CONVERTED LEVEL
1	Part 1	<p>Exempted from :</p> <ul style="list-style-type: none"> Financial Accounting Business Management and Information Systems <p>To Write:</p> <ul style="list-style-type: none"> Quantitative Tools in Business Business and Corporate Law All Level 2 Subjects All Level 3 Subjects
2	Part 1 and Part 2	<p>Exempted From:</p> <ul style="list-style-type: none"> All Level 1 Subjects Audit and Assurance <p>To Write:</p> <ul style="list-style-type: none"> All Level 2 subjects [Except Audit and Assurance] All Level 3 Subjects



<p>3 Part 1, Part 2, and Part 3</p>	<p>Exempted from:</p> <ul style="list-style-type: none"> • All Level 1 Subjects • All Level 2 subjects [Except Corporate Strategy , Ethics and Governance] <p>To write:</p> <ul style="list-style-type: none"> • Corporate Strategy, Ethics and Governance • All Level 3 subjects [Except Advanced Financial Management*] • * After 2 sittings in the new scheme [ie after November 2015 exams] if a candidate within this category is unable to qualify, he/she would have to write Advanced Financial Management in addition to the other papers [not passed] in Level 3
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