

2014

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA

Established by Act of Parliament No. 15 of 1965

REGULATIONS AND EXAMINATIONS
SYLLABUS FOR THE TRAINING OF
CHARTERED ACCOUNTANTS IN NIGERIA



EFFECTIVE 2014
11/1/2014



FOREWORD

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CHAIRMAN, AD-HOC JOINT COMMITTEE ON SYLLABUS REVIEW

CONTENTS

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA

PART ONE

STUDENTS' REGULATIONS AND EXAMINATION SYLLABUS

1. INTRODUCTION

The forerunner of the Institute under the name "The Association of Accountants in Nigeria" was established in 1960. This Association was absorbed by the Institute created by an Act of Parliament No. 15 (The Act) which came into effect on September 1, 1965. The Institute has, as at December 2013, over thirty-eight thousand, one hundred and two (38,102) members and One hundred and ninety-four thousand, two hundred and sixty nine (194,269) students on its Register.

2. OBJECTS AND DUTIES

The objects and duties of the Institute as laid down in section 1 (1) of the Act, are:

- (a) "determining what standards of knowledge and skill are to be attained by persons seeking to become members of the accountancy profession and raising those standards from time to time as circumstances may permit;
- (b) securing in accordance with the provisions of the Act, the establishment and maintenance of registers of Fellows, Associates and Registered Accountants entitled to practise as accountants and auditors and publishing same from time to time lists of those persons; and
- (c) Performing through the Council under this Act the functions conferred on it by the Act."

3. MEMBERSHIP

There are two main classes of membership of the Institute, namely; Chartered Accountants and Registered Accountants.

4. CHARTERED ACCOUNTANTS

A person shall be enrolled as a Chartered Accountant if:

He/she passes the qualifying examination for membership conducted by the Council of the Institute and completes a prescribed practical training under Section 8(1)(a).

5. DESIGNATORY LETTERS

Members of the Institute are entitled to use the following designatory letters after their names:

In the case of a **Fellow**, the letters “FCA” (Fellow of the Institute of Chartered Accountants).

In the case of an **Associate**, the letters “ACA” (Associate of the Institute of Chartered Accountants).

In the case of a **Registered Accountant**, the letters “RA” (Registered Accountant).

6. THE PRACTICE OF ACCOUNTANCY IN NIGERIA

A member of the Institute is not allowed to set up a public practice as an accountant until he/she has applied for, and has been granted a licence to practise by the Council.

7. THE LIBRARY

The Institute’s library provides services to both members and students. The library at the Secretariat, Plot 16 Idowu Taylor Street, Victoria Island, Lagos caters for the information needs of members, while the Students’ library is located at the Institute’s Secretariat Annexe at No. 82, Murtala Muhammed Way, Ebute-Metta, Lagos. The library provides the following services: reference service; reprographic service; readers’ service; systematic dissemination of information (SDI) service in addition to the e-Library services. Enquiries should be directed to the Librarian at the Victoria Island Office or email: library@ican.org.ng.

Continuous effort is being made by Council to satisfy the diverse interests of the members and students.

8. DISTRICT SOCIETIES

As at January 31, 2014, there are 48 District Societies for members of the Institute with headquarters in some principal towns throughout the country inclusive of UK and USA. The District Societies assist students of the Institute to prepare and succeed in the qualifying examinations of the Institute.

9. PUBLICATIONS

The Institute publishes the following (in print and/or electronic) for the benefit of members, students and the general public:

- a. Membership Year Book, containing lists of members and other general information about the Institute (www.icanig.org).
- b. The Nigerian Accountant, the official journal of the Institute, containing authoritative articles on accountancy and related fields is published quarterly (www.icanig.org).
- c. ICAN News, the official journal for students of the Institute.
- d. Pathfinder, published after each examination contains the suggested solutions to the examination questions (www.icanig.org)
- e. Members’ Handbook, which is a compendium of the Institute’s constitutional, ethical and legal provisions as well as accounting, auditing and reporting standards.
- f. ICAN Students Learning materials in hard and soft copies (www.icanig.org)

- g. ICAN Journal of Accounting and Finance. The foremost research journal covering accounting and finance related issues.

10. TRAINING SCHEMES

(i) **Definition of Training**

Training for the purpose of the Institute's membership means full time assignments on a work of an approved accounting nature either in a professional office, commerce, industry, government or a full time/part time study in a recognised institution.

(ii) **Approved Work of Accounting Nature**

An accounting duty is deemed to be approved when such a duty is being supervised by a member of the Institute or being subjected to regular audit by a professional firm of Chartered Accountants in Nigeria. In the Civil Service where there is no Chartered Accountant, the nearest district society will provide the necessary verification after confirmation by the immediate supervisor of the prospective member.

(iii) **Recognised Training Centres**

The Institute attaches considerable importance to practical training and students are required to acquire their practical experience in Recognised Training Centres (RTC).

The Institute recognises for this purpose:

- (a) Approved service under a practising member of the Institute.
- (b) Employment in the office of a practising accountant, for example, as an audit clerk.
- (c) Employment in the accounting or finance department of industrial or commercial undertakings, parastatals and the Public Service.
- (d) Full time/part time lecturing in a recognised tertiary institutions or accredited tuition centres.

If a candidate wishes to train otherwise than in a Recognised Training Centre, his/her particular employment has to be approved by the Council of the Institute as providing acceptable experience. The period of practical experience sufficient for a candidate to be accomplished as an accountant depends on the relevance of his/her basic qualifications on registration. This is expected to be not less than 36 months practical training whilst those entering with non-accounting qualifications will require 42 – 48 months. This experience may be acquired during studentship and/or after qualification.

11. PRACTISING LICENCE

The licence to practise will be issued only to those members who have been trained in professional offices and have acquired the minimum practical training as stated in paragraph 6 above. However, for those who

qualify outside professional offices/firms, such practising experience could be acquired after qualifying as an accountant and the period of post-qualification attachment will not be less than 36 months for those with accounting qualifications, whilst those with non-accounting qualifications require not less than 42 months.

12. **SECRETARIAT**

The Institute's Secretariat is located at:
Plot 16, Idowu Taylor Street
Victoria Island
P O Box 1580
Marina, Lagos
Nigeria

Tel: +234 –1–764 2294-5

e-mail: info.ican@icanig.org Website: www.ican-ng.org or www.icanig.org

For enquiries, please call our Secretariat Annexe:

- (a) Students' Affairs Directorate
82, Murtala Mohammed Way
Ebute Metta
Lagos, Nigeria.

Tel: +234–1–7 6 4 2 2 9 - , +234-1-2120688 (DL)

e-mail: studentsaffairs@ican.org.ng

- (b) Liaison offices or
- (c) District Societies.

All enquiries should be directed to the Registrar/Chief Executive.

PART TWO

13. STUDENTSHIP REGISTRATION AND TRAINING

Approved Qualifications For Registration

In order to register as a student with the Institute, an applicant must hold an acceptable qualification.

The Council has accepted the following qualifications for the purpose of entry requirements:

- (a) Recognised degree of any University or Higher National Diploma of any Polytechnic.
- (b) Any other qualification for the time being approved by the Council.

Approved meanwhile are:

- (i) The final examination of Accounting Technicians Scheme, West Africa (ATSWA)
- (ii) The final examination of the Institute of Chartered Secretaries and Administrators
- (iii) The final examination of the Association of International Accountants
- (iv) The final examination of the Chartered Institute of Bankers of Nigeria
- (v) The final examination of the Chartered Institute of Stockbrokers
- (vi) The final examination of the Chartered Institute of Taxation of Nigeria
- (vii) The final examination of the Association of Accounting Technicians, U.K.
- (viii) The final examination of the Association of National Accountants of Nigeria
- (ix) Executive Management Accountancy (Federal Treasury Training School, Stage III)

14. APPLICATION FOR REGISTRATION

Application for registration as a student must be made on-line which requires an undertaking on the part of the applicant to abide by the rules and regulations laid down by the Council from time to time. Every applicant will be required to produce satisfactory evidence of his/her name, age and character together with certified photocopies of educational certificates and one certified passport size photograph. The Council reserves the right to grant or refuse any application or to terminate the registration of a student. Applicants must comply with the conditions set forth and must pay the applicable registration fee. If the

application to register is unsuccessful, the registration fee is not refundable.

The annual subscription for successful applicants becomes payable immediately upon registration for the year of registration and thereafter on 1st January of each year of registered studentship.

15. CONDITIONS TO BE SATISFIED

Every applicant for registration as a student must satisfy the Council that:

- (a) He/she possesses the basic educational qualifications set out above;
and
- (b) He/she is a fit and proper person to be registered.

PART THREE

16. PROFESSIONAL EXAMINATIONS

16.1 STRUCTURE OF THE SYLLABUS

The professional examination of the Institute under the new syllabus consists of the following three levels: Knowledge, Application and Professional.

OLD SYLLABUS

FOUNDATION

1. Fundamentals of Financial Accounting
2. Corporate and Business Law
3. Economics and Business Environment

INTERMEDIATE

4. Costing and Quantitative Techniques
5. Taxation
6. Audit and Assurance
7. Business Communication and Research Methodology

PROFESSIONAL EXAMINATION I

8. Information Technology
9. Management Accounting
10. Financial Accounting
11. Advanced Audit and Assurance

PROFESSIONAL EXAMINATION II

12. Public Sector Accounting and Finance
13. Financial Reporting and Ethics
14. Strategic Financial Management
15. Advanced Taxation

NEW SYLLABUS

KNOWLEDGE LEVEL

1. Quantitative Techniques in Business
2. Financial Accounting
3. Management Information
4. Business Law
5. Business and Finance

APPLICATION LEVEL

6. Financial Reporting
7. Audit and Assurance
8. Taxation
9. Performance Management
10. Management, Governance and Ethics
11. Public Sector Accounting and Finance

PROFESSIONAL LEVEL

12. Corporate Reporting
13. Advanced Audit and Assurance
14. Strategic Financial Management
15. Advanced Taxation
16. Case Study

16.2 DATES OF EXAMINATIONS

The examinations are normally held twice each year in May and November and at present, at the following centres: Aba, Abakaliki, Abeokuta, Abuja, Ado-Ekiti, Akure, Asaba, Awka, Benin-City, Calabar, Enugu, Ibadan, Ikeja, Ikorodu, Ilesa, Ilisan-Remo, Ilorin, Jos, Kaduna, Kano, Lagos-Amuwo, Lagos-Unilag, Lokoja, Maiduguri, Makurdi, Minna, Ogbomoso, Onitsha, Owerri, Port Harcourt, Sokoto, Umuahia, Uyo, Warri, Yenagoa, Yola, Zaria, Cameroun and London (U.K.).

Council reserves the right to approve new examination centres and close existing ones as it deems fit.

16.3 CLOSING DATES OF ENTRIES

The closing dates of entries for May and November examinations are April 30 and October 31, respectively.

16.4 EXAMINATION ENTRY

No person may be allowed to sit for any of the Institute's examinations unless he/she had been registered as a student of the Institute and had paid the required annual subscription and applicable examination fees.

16.5 EXAMINATION RESULTS

The results of the examination will be communicated by post, sms, email or the Institute's website, to candidates. Further correspondence relating to individual results may not be entertained. However, a candidate may ask for a review of his/her script, subject to meeting the condition set out by the Institute.

Individual scores will be indicated on the candidate's result slip.

16.6 CREDIT SYSTEM

1. Candidates writing the examinations may register for any number of papers at a level and shall be credited with each paper passed. However, they are expected to complete the examination at a level before attempting papers at a higher level.
2. Candidates are not allowed to combine two levels of the examinations.
3. Candidates are mandatorily required to complete all parts of the Institute's qualifying examination within a period of ten years from the date of sitting the examination for the first time. In the event of a student not completing the examinations within the period of ten years, he/she is deemed to have forfeited all the papers passed and credited to him/her.

16.7 PASS MARK

The pass mark for each paper of the Institute's examination is 50%.

16.8 CONVERSION ARRANGEMENTS

Examinations on the basis of this new syllabus will commence in November 2014. All candidates stand converted as stated in paragraph 16.8.1 below. No candidate may proceed to the next level of the examination without successful completion of all the subjects in the preceding level.

16.8.1 Conversion from the old to the new syllabus is as stated hereunder:

	OLD SYLLABUS	NEW SYLLABUS	
		To write	Credited with
A	Candidates who successfully completed the old Foundation Examination 1. Fundamentals of Financial Accounting 2. Economics & Business Environment 3. Corporate and Business Law	<ul style="list-style-type: none">▪ A1. Quantitative Techniques in Business▪ A4. Management Information	<ul style="list-style-type: none">▪ A2. Business and Finance▪ A3. Financial Accounting▪ A5. Business Law
B	Candidates who successfully completed the Intermediate Examination 1. Costing and Quantitative Techniques 2. Taxation 3. Audit and Assurance 4. Business Communication and Research Methodology	<ul style="list-style-type: none">▪ B1. Financial Reporting▪ B4. Performance Management▪ B5. Public Sector Accounting & Finance▪ B6. Management, Governance & Ethics	<ul style="list-style-type: none">▪ All Knowledge level subjects▪ B2. Audit and Assurance▪ B3. Taxation

C	<p>Candidates who successfully completed the old PE 1 Examination</p> <ol style="list-style-type: none"> 1. Information Technology 2. Management Accounting 3. Financial Accounting 4. Advanced Audit & Assurance 	<ul style="list-style-type: none"> ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ All subjects in Knowledge level ▪ B1. Financial Reporting ▪ B2. Audit and Assurance ▪ B3. Taxation ▪ B4. Performance Management ▪ C2. Advanced Audit and Assurance (Professional Level)
D	<p>Candidates who passed only Fundamentals of Financial Accounting in Foundation</p>	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance ▪ A4. Management Information ▪ A5. Business Law 	<ul style="list-style-type: none"> ▪ A3. Financial Accounting
E	<p>Candidates who passed only Corporate and Business Law in Foundation</p>	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance ▪ A3. Financial Accounting ▪ A4. Management Information 	<ul style="list-style-type: none"> ▪ A5. Business Law
F	<p>Candidates who passed only Economics and Business Environment</p>	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A3. Financial Accounting ▪ A4. Management Information ▪ A5. Business Law 	<ul style="list-style-type: none"> ▪ A2. Business and Finance

G	Candidates who passed Fundamentals of Financial Accounting and Corporate and Business Law	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance ▪ A4. Management Information 	<ul style="list-style-type: none"> ▪ A3. Financial Accounting ▪ A5. Business Law
H	Candidates who passed Fundamentals of Financial Accounting ; Economics and Business Environment	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A4. Management Information ▪ A5. Business Law 	<ul style="list-style-type: none"> ▪ A2. Business and Finance ▪ A3. Financial Accounting
I	Candidates who passed Corporate & Business Law; Economics and Business Environment	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A3. Financial Accounting ▪ A4. Management Information 	<ul style="list-style-type: none"> ▪ A2. Business and Finance ▪ A5. Business Law
J	Candidates who passed Costing and Quantitative Techniques in old Intermediate	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B2. Audit and Assurance ▪ B3. Taxation ▪ B4. Performance Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	Nil
K	Candidates who passed only Taxation in old Intermediate	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B2. Audit and Assurance ▪ B4. Performance Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B3. Taxation

L	Candidates who passed only Audit and Assurance in old Intermediate	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B3. Taxation ▪ B4. Performance Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B2. Audit and Assurance
M	Candidates who passed only Business Communication and Research Methodology in old Intermediate	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B2. Audit and Assurance ▪ B3. Taxation ▪ B4. Performance Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	Nil
N	Candidates who passed CQT; Taxation in the old Intermediate	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B2. Audit and Assurance ▪ B4. Performance Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B3. Taxation
O	Candidates who passed CQT; AA in the old Intermediate	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B3. Taxation ▪ B4. Performance Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	B2. Audit and Assurance
P	Candidates who passed CQT ; BCRM in the old Intermediate	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B2. Audit and Assurance ▪ B3. Taxation ▪ B4. Performance 	Nil

		<ul style="list-style-type: none"> Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	
Q	Candidates who passed Taxation; AA in the old Intermediate	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B4. Performance Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B2. Audit and Assurance ▪ B3. Taxation
R	Candidates who passed Taxation; BCRM in the old Intermediate	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B2. Audit and Assurance ▪ B4. Performance Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B3. Taxation
S	Candidates who passed AA; BCRM in the old Intermediate	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B3. Taxation ▪ B4. Performance Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B2. Audit and Assurance
T	Candidates who passed CQT; Taxation; AA in the old Intermediate	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B4. Performance Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B2. Audit and Assurance ▪ B3. Taxation

U	Candidates who passed CQT ; Taxation; BCRM in the old Intermediate	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B2. Audit and Assurance ▪ B4. Performance Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B3. Taxation
V	Candidates who passed Taxation; AA; BCRM in the old Intermediate	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B4. Performance Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B2. Audit and Assurance ▪ B3. Taxation
X	Candidates who passed CQT; AA; BCRM in the old Intermediate	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B3. Taxation ▪ B4. Performance Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B2. Audit and Assurance
Y	Candidates who passed Information Technology in old PE 1	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B4. Performance Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B2. Audit and Assurance ▪ B3. Taxation
Z	Candidates who passed only Management Accounting in old PE 1	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B2. Audit and Assurance ▪ B3. Taxation ▪ B4. Performance Management
AA	Candidates who passed only Financial Accounting in old PE 1	<ul style="list-style-type: none"> ▪ B4. Performance Management ▪ B5. Public Sector 	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B2. Audit and Assurance ▪ B3. Taxation

		<ul style="list-style-type: none"> ▪ Accounting & Finance ▪ B6. Management, Governance & Ethics 	
AB	Candidates who passed only Advanced Audit and Assurance	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B4. Performance Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B2. Audit and Assurance ▪ B3. Taxation ▪ C2. Advanced Auditing and Assurance
AC	Candidates who passed only IT; MA	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B2. Audit and Assurance ▪ B3. Taxation ▪ B4. Performance Management
AD	Candidates who passed only IT; FA	<ul style="list-style-type: none"> ▪ B4. Performance Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B2. Audit and Assurance ▪ B3. Taxation ▪ B1. Financial Reporting
AE	Candidates who passed only IT; AAA	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B4. Performance Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B2. Audit and Assurance ▪ B3. Taxation ▪ C2. Advanced Auditing and Assurance
AF	Candidates who passed MA; FA	<ul style="list-style-type: none"> ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B2. Audit and Assurance ▪ B3. Taxation ▪ B4. Performance Management
AG	Candidates who passed only MA; AAA	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B2. Audit and Assurance ▪ B3. Taxation ▪ B4. Performance Management ▪ C2. Advanced Auditing and Assurance

AH	Candidates who passed FA; AAA	<ul style="list-style-type: none"> ▪ B4. Performance Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B2. Audit and Assurance ▪ B3. Taxation ▪ C2. Advanced Auditing and Assurance
AI	Candidates who passed Information Technology; Management Accounting Financial Accounting	<ul style="list-style-type: none"> ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B2. Audit and Assurance ▪ B3. Taxation ▪ B4. Performance Management
AJ	Candidates who passed Information Technology; Management Accounting; Advanced Audit and Assurance	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B2. Audit and Assurance ▪ B3. Taxation ▪ B4. Performance Management ▪ C2. Advanced Auditing and Assurance
AK	Candidates who passed Management Accounting; Financial Accounting; Advanced Audit and Assurance	<ul style="list-style-type: none"> ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B2. Audit and Assurance ▪ B3. Taxation ▪ B4. Performance Management ▪ C2. Advanced Auditing and Assurance
AL	Candidates who passed Financial Accounting; Advanced Audit and Assurance; Information Technology	<ul style="list-style-type: none"> ▪ B4. Performance Management ▪ B5. Public Sector Accounting & Finance ▪ B6. Management, Governance & Ethics 	<ul style="list-style-type: none"> ▪ B1. Financial Reporting ▪ B3. Taxation ▪ B2. Audit and Assurance ▪ C2. Advanced Auditing and Assurance
AM	Candidates who passed PSAF ; FRE	<ul style="list-style-type: none"> ▪ C3. Strategic Financial Management ▪ C4. Advanced 	<ul style="list-style-type: none"> ▪ C1. Corporate Reporting ▪ C2. Advanced Auditing and Assurance

		Taxation <ul style="list-style-type: none"> ▪ C5. Case Study 	
AN	Candidates who passed PSAF; SFM	<ul style="list-style-type: none"> ▪ C1. Corporate Reporting ▪ C4. Advanced Taxation ▪ C5. Case Study 	<ul style="list-style-type: none"> ▪ C2. Advanced Auditing and Assurance ▪ C3. Strategic Financial Management
AO	Candidates who passed only PSAF; Advanced Taxation	<ul style="list-style-type: none"> ▪ C1. Corporate Reporting ▪ C3. Strategic Financial Management ▪ C5. Case Study 	<ul style="list-style-type: none"> ▪ C2. Advanced Auditing and Assurance ▪ C4. Advanced Taxation
AP	Candidates who passed FRE; SFM	<ul style="list-style-type: none"> ▪ B5. Public Sector Accounting & Finance ▪ C4. Advanced Taxation ▪ C5. Case Study 	<ul style="list-style-type: none"> ▪ C1. Corporate Reporting ▪ C2. Advanced Auditing and Assurance ▪ C3. Strategic Financial Management
AQ	Candidates who passed FRE; Advanced Taxation	<ul style="list-style-type: none"> ▪ B5. Public Sector Accounting & Finance ▪ C3. Strategic Financial Management ▪ C5. Case Study 	<ul style="list-style-type: none"> ▪ C1. Corporate Reporting ▪ C2. Advanced Auditing and Assurance ▪ C4. Advanced Taxation
AR	Candidates who passed SFM; Advanced Taxation	<ul style="list-style-type: none"> ▪ B5. Public Sector Accounting & Finance ▪ C1. Corporate Reporting ▪ C5. Case Study 	<ul style="list-style-type: none"> ▪ C2. Advanced Auditing and Assurance ▪ C3. Strategic Financial Management ▪ C4. Advanced Taxation
AS	Candidates who passed PSAF; FRE; SFM	<ul style="list-style-type: none"> ▪ C4. Advanced Taxation ▪ C5. Case Study 	<ul style="list-style-type: none"> ▪ C1. Corporate Reporting ▪ C2. Advanced Auditing and Assurance ▪ C3. Strategic Financial Management
AT	Candidates who passed PSAF; FRE; Advanced Taxation	<ul style="list-style-type: none"> ▪ C3. Strategic Financial Management ▪ C5. Case Study 	<ul style="list-style-type: none"> ▪ C1. Corporate Reporting ▪ C2. Advanced Auditing and Assurance

			<ul style="list-style-type: none"> ▪ C4. Advanced Taxation
AU	Candidates who passed FRE;SFM; Advanced Taxation	<ul style="list-style-type: none"> ▪ B5. Public Sector Accounting & Finance ▪ C5. Case Study 	<ul style="list-style-type: none"> ▪ C1. Corporate Reporting ▪ C2. Advanced Auditing and Assurance ▪ C3. Strategic Financial Management ▪ C4. Advanced Taxation
AV	Candidates who passed PSAF; SFM; Advanced Taxation	<ul style="list-style-type: none"> ▪ C1. Corporate Reporting ▪ C5. Case Study 	<ul style="list-style-type: none"> ▪ C2. Advanced Auditing and Assurance ▪ C3. Strategic Financial Management ▪ C4. Advanced Taxation

NOTE: Candidates are to be converted to the new syllabus immediately it takes off in November 2014 in line with the above conversion arrangement.

17. PROFESSIONAL EXAMINATIONS TIME-TABLE

DAY	TIME	FOUNDATION	INTERMEDIATE	FINAL
TUESDAY	9.00 A.M 12.00 NOON	FINANCIAL ACCOUNTING	FINANCIAL REPORTING	CORPORATE REPORTING
	2.00 P.M- 5.00 P.M	MANAGEMENT INFORMATION	TAXATION	ADVANCED TAXATION
WEDNESDAY	9.00 A.M - 12.00 NOON	QUANTITATIVE TECHNIQUES IN BUSINESS	PERFORMANCE MANAGEMENT	STRATEGIC FINANCIAL MANAGEMENT
	2.00 P.M- 5.00 P.M	BUSINESS LAW	MANAGEMENT GOVERNANCE & ETHICS	-
THURSDAY	9.00 A.M. - 12.00 NOON	BUSINESS & FINANCE	AUDIT & ASSURANCE	ADVANCED AUDIT & ASSURANCE
	9.00 AM – 1.00 PM & 2.00 P.M- 5.00 P.M	-	PUBLIC SECTOR ACCOUNTING & FINANCE	CASE STUDY

NOTE: CASE STUDY IS ON THURSDAY 9.00 AM – 1.00 PM

18. EXAMINATION QUESTION FORMAT

1. Each paper in Knowledge level shall consist of two sections A and B
 - Section A:** Shall comprise twenty (20) compulsory multiple-choice questions which shall cover the entire contents of the syllabus. This section shall make up 20% of the total marks.
 - Section B:** Shall comprise six open-ended questions (essay, computational or scenario-based) carrying 20 marks each of which candidates will be required to answer any 4.
2. Application and Professional levels shall comprise open-ended questions (essay, scenario-based or computational) only as follows:
 - Section A:** One (1) compulsory question of 30 marks.
 - Section B:** Three (3) questions of 20 marks each out of which a candidate is expected to attempt any two (2).
 - Section C:** Three (3) questions of 15 marks each out of which a candidate is expected to attempt any two (2).

19. ABSENCE FROM AN EXAMINATION

Examination entries cannot be withdrawn after the closing date in any circumstances. The fees paid for an examination will not be refunded or transferred to subsequent examination, if a candidate is unable to attend the examination.

20. MISCONDUCT IN AN EXAMINATION

The examinations regulations prohibit a student from:

- (a) taking into the examination room or possessing, while in that room, any book, note, programmable calculators, GSM handsets or other materials except those which have been authorised in the Examination Attendance Docket;
- (b) aiding or attempting to aid another candidate, or obtaining or attempting to obtain aid from another candidate;
- (c) refusing to obey any instruction from the Examination Supervisor or Invigilators; and
- (d) giving false or misleading information to the Examination Supervisor.

The Supervisor is empowered to stop any candidate suspected of misconduct and to require him/her to leave the examination hall.

Any student who fails to comply with the above regulations may be liable to such penalties as the Council of the Institute may determine.

21 EXEMPTION GUIDELINES

21.1 ACADEMIC QUALIFICATIONS

Ref.	Academic Qualification	Exemptions
A.	B.Sc./HND (Accounting) obtained under the Mutual Co-Operation Agreement with Tertiary Institutions	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance ▪ A3. Financial Accounting ▪ A4. Management Information ▪ A5. Business Law ▪ B1. Financial Reporting ▪ B2. Audit and Assurance ▪ B3. Taxation ▪ B4. Performance Management
B.	ATS II (Old Syllabus)	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance ▪ A3. Financial Accounting ▪ A4. Management Information
C.	ATSWA (New Syllabus)	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance ▪ A3. Financial Accounting ▪ A4. Management Information ▪ A5. Business Law ▪ B2. Audit and Assurance ▪ B3. Taxation
D.	B.Sc./HND (Accounting) obtained from ICAN accredited Institutions in Nigeria.	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance ▪ A3. Financial Accounting ▪ A4. Management Information ▪ A5. Business Law ▪ B2. Audit and Assurance ▪ B3. Taxation
E.	B.Sc./HND (Accounting) obtained from recognised Institutions in Nigeria but not yet accredited by ICAN.	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A3. Financial Accounting ▪ A5. Business Law

F.	B.Sc./HND (Accounting) obtained from foreign recognised Institutions.	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A3. Financial Accounting ▪ A4. Management Information
G.	M.Sc. (Accounting) obtained from ICAN accredited Institutions in addition to B.Sc. in Accounting.	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance ▪ A3. Financial Accounting ▪ A4. Management Information ▪ A5. Business Law ▪ B1. Financial Reporting ▪ B2. Audit and Assurance ▪ B3. Taxation
H.	M.Sc. (Accounting) obtained from ICAN accredited Institutions but without B.Sc. in accounting.	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A3. Financial Accounting ▪ A4. Management Information
I.	M.Sc. (Accounting) obtained from recognised Institution in addition to B.Sc. in any accounting related discipline.	<ul style="list-style-type: none"> ▪ A2. Business and Finance ▪ A3. Financial Accounting ▪ A5. Business Law
J.	Ph.D (Accounting)	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance ▪ A3. Financial Accounting ▪ A4. Management Information ▪ A5. Business Law ▪ B1. Financial Reporting ▪ B2. Audit and Assurance ▪ B3. Taxation ▪ B4. Performance Management ▪ B6. Management, Governance & Ethics
K.	B.Sc. Economics	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance

L.	B.Sc. Actuarial Science	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance
M.	B.Sc./HND Insurance	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance
N.	B.Sc./HND/B.A Business Admin/Management	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance
O.	B.Sc./HND Banking and Finance	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance
P.	B.Sc./HND Marketing	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance
Q.	MBA in addition to B.Sc./HND in non accounting discipline	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance ▪ A5. Business Law
R.	B.Sc. (Ed.) Accounting or B.Ed. Business Education (Accounting option)	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A3. Financial Accounting ▪ A5. Business Law
S.	B.Ed. Education Management (Accounting Option)	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business
T.	B.Sc./B.A Commerce	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance
U.	B.Sc./HND Cooperative and Rural Development	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business
V.	LL.B	<ul style="list-style-type: none"> ▪ A5. Business Law

21.2. SUBJECT BY SUBJECT EXEMPTION

The following Courses/Subjects will be granted exemption in **A1**.

Quantitative Techniques in Business

- B.Tech. Project Management
- B.Sc. Engineering Management
- B.Sc./HND Statistics/Economics
- B.A. Library/Economics
- HND Agric/ Economics
- B.Sc./HND Estate Management
- B.Sc./HND Biology
- B.Sc./HND Chemistry
- B.Sc./HND Bio-Chemistry
- B.Sc. Archaeology/Geology
- B.Sc./HND Statistics
- B.Sc./HND Engineering
- B.Sc./HND Chemistry Engineering
- B.Sc./HND Town and Regional Planning
- B.Sc./HND /B.Ed. Chemistry
- B.Sc./HND Tech. Computer
- B.Sc./HND Mathematics
- B.Sc./HND Industrial Mathematics
- B.Sc./HND Industrial Chemistry
- B.Sc./HND Agriculture

21.3 PROFESSIONAL QUALIFICATIONS

	Qualifications	Exemption
A.	Associate Chartered Institute of Bankers of Nigeria	<ul style="list-style-type: none">▪ A1. Quantitative Techniques in Business▪ A2. Business and Finance▪ A3. Financial Accounting▪ A5. Business Law
B.	Associate Chartered Institute of Bankers, London (Now Institute of Financial Services)	<ul style="list-style-type: none">▪ Quantitative Techniques in Business▪ A2. Business and Finance▪ A3. Financial Accounting
C.	Associate Chartered Institute	<ul style="list-style-type: none">▪ A1. Quantitative Techniques in

	of Stock Brokers of Nigeria	<ul style="list-style-type: none"> Business ▪ A2. Business and Finance ▪ A3. Financial Accounting ▪ A5. Business Law
D	Associate Chartered Secretaries and Administrators	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance ▪ A3. Financial Accounting ▪ A5. Business Law
E.	Associate Chartered Institute of Insurance of Nigeria	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance ▪ A5. Business Law
F.	Associate Chartered Institute of Taxation of Nigeria	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance ▪ A3. Financial Accounting ▪ A5. Business Law ▪ B3. Taxation
G.	Certified National Accountant of Nigeria	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance ▪ A3. Financial Accounting ▪ A4. Management Information ▪ A5. Business Law ▪ B3. Taxation ▪ B5. Public Sector Accounting & Finance
H.	Federal Treasury Training School (Now Federal Treasury Academy) starting from 1987	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance ▪ A3. Financial Accounting ▪ A4. Management Information ▪ A5. Business Law ▪ B2. Audit and Assurance ▪ B3. Taxation
I.	CIMA, UK	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance ▪ A3. Financial Accounting

		<ul style="list-style-type: none"> ▪ A4. Management Information ▪ B1. Financial Reporting ▪ B2. Audit and Assurance ▪ B3. Taxation ▪ B4. Performance Management ▪ B6. Management, Governance & Ethics ▪ C1. Corporate Reporting ▪ C3. Strategic Financial Management ▪ C5. Case Study
J.	ACCA, UK CPA, USA CIPFA, UK ICAS, UK ICAI, UK ICAEW	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance ▪ A3. Financial Accounting ▪ A4. Management Information ▪ B1. Financial Reporting ▪ B2. Audit and Assurance ▪ B3. Taxation ▪ B4. Performance Management ▪ B6. Management, Governance & Ethics ▪ C1. Corporate Reporting ▪ C2. Advanced Audit and Assurance ▪ C3. Strategic Financial Management ▪ C5. Case Study
K.	AIA (Final) 1994 to date AAT (UK)	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance ▪ A3. Financial Accounting ▪ A4. Management Information ▪ B2. Audit and Assurance
L.	AIA (Pre-1994)	<ul style="list-style-type: none"> ▪ A1. Quantitative Techniques in Business ▪ A2. Business and Finance ▪ A3. Financial Accounting ▪ A4. Management Information

21.4 LECTURERS IN HIGHER INSTITUTION

Lecturers in Accounting Departments with B.Sc./HND (Accounting) in all accredited Institutions shall be given the same level of exemptions/concession granted to graduates of Recognised Training Institutions (RTIs) regardless of date of qualification.

PART FOUR

22. EXAMINATIONS SYLLABUS

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA

1. FOUNDATION LEVEL (KNOWLEDGE)

A1. QUANTITATIVE TECHNIQUES IN BUSINESS

Purpose

Accountants use a range of mathematical and statistical techniques in accounting, performance management, financial decision-making, risk analysis and financial management and this syllabus component provides a foundation of the knowledge and skills that will be applied in later studies. This syllabus component assesses the knowledge and skills in a business and accounting context.

Content and Competences

A. MATHEMATICS

30%

1. **Review of basic mathematics:**

Apply accurately the key tools of basic maths in simple business and accounting examples:

- (a) Fractions
- (b) Percentages
- (c) Simple Algebra
- (d) Powers and indices
- (e) Sequence and series

2. **Equalities and inequalities:**

Apply accurately both numerically and graphically equations and inequalities in simple business examples:

- (a) Coordinates and graphs
- (b) Straight line equations
- (c) Simultaneous equations
- (d) Curves
- (e) Inequalities

3. **Mathematics of business finance:**

State, explain and apply the key tools of maths used in business finance problems:

- (a) Compound interest and Simple interest
- (b) Discounting

- (c) Annuities
- (d) Present value of annuities
- (e) Sinking funds and amortisation

4. Elements of calculus:

Apply accurately in simple business related situations the key tools of basic calculus:

- (a) Uses of calculus
- (b) Differentiation
- (c) Integration
- (d) Identification and determination of stationary points
- (e) Techniques of optimisation (Maximum and minimum)

B. DATA COLLECTION ANALYSIS

30%

1. Data collection:

State, explain and apply methods of data collection and presentation in simple business related situations:

- (a) Frequency distributions – simple and cumulative
- (b) Histograms, frequency polygons and ogives

2. Measures of central tendency:

State, explain and apply key measures of central tendency in business related situations:

- (a) The concepts of averages
- (b) The arithmetic mean
- (c) The median
- (d) The mode
- (e) Quartiles

3. Measures of dispersion:

State, explain and apply key measures of central tendency in business related situations:

- (a) The concept of dispersion
- (b) Range
- (c) Mean deviation
- (d) Quartile deviation
- (e) Standard deviation
- (f) Variance

C. STATISTICS

30%

(1) Probability:

State, explain and apply key measures of central tendency in business related situations:

- (a) Basic rules of probability

- (b) Mutually exclusive, independent and conditional probability
- (c) Expected values
- (d) Tree diagrams
- (e) The normal distribution

(2) Forecasting:

Apply accurately in simple business situations basic tools of financial and operational forecasting:

- (a) Time series
- (b) Trend, seasonal variations, cyclical variations and random variations
- (c) Moving average trend
- (d) Forecasting
- (e) Correlation Analysis
- (f) Simple Regression Analysis

D. OPERATIONS RESEARCH

10%

Operations Research:

This topic and the following sub topics were introduced:

- (a) Linear programming
- (b) Transportation model
- (c) Replacement theory
- (d) Inventory control
- (e) Simulation
- (f) Queing models
- (g) Network analysis

A2. BUSINESS AND FINANCE

Purpose

An understanding of the business environment, markets, financial markets, entities and organisations provides an underpinning for business professionals as managers and accountants. Business and management includes a basic understanding of the purpose and objectives of businesses and the issues of business ethics, governance, corporate social responsibility and sustainability. The business environment is seen globally, internationally and locally. The subject matter includes a basic introduction to business finance. The content also includes the basics of individual and organisational behaviour and human resource issues.

Content and Competences

For all the content below students are required to be able to state and explain the concepts and their business relevance.

A. BUSINESS PROCESSES AND ENVIRONMENT

30%

1 Business types, purpose and objectives:

- (a) For profit
- (b) Not for profit

2 Types of Entity:

- (a) Sole trades
- (b) Partnership
- (c) Limited Companies
- (d) Public Limited Companies
- (e) Non-governmental entities
- (f) Public sector entities
- (g) Alliances

3 Business and organisational structures and choices:

- (a) Centralisation
- (b) Decentralisation
- (c) Matrix and mixed structures
- (d) Networks
- (e) Virtual arrangements

4 The business environment:

- (a) Globalisation
- (b) International business
- (c) Macro-economic environment
- (d) National environment
- (e) Micro-economic environment
- (f) Markets and industries.
- (g) Concept of Stakeholder and Stakeholders

5 Business planning:

- (a) Basics and relationships of strategic vision, mission, values and objectives
- (b) The relationship between strategic, business and operational plans
- (c) Basics of strategic plan development

6 Business functions, activities and processes:

- (a) The relationships between business functions, activities and processes and their support for achieving business objectives
- (b) The relationship between entity and functional strategies

B. THE ROLE OF FINANCE

30%

1. Basics of business finance and financial markets:

- (a) Sources of finance
- (b) Basics of financial engineering
- (c) Financial markets
- (d) Explain the relationships between business objectives and financial management objectives and the processes of developing strategy
- (e) Identify the impact of external factors and financial market issues upon business and financial strategy
- (f) Explain the implications of given terms in a loan or financing agreement including covenants, warranties and guarantees
- (g) Explain the roles motivations and interests of different stakeholders in financing decisions
- (h) Identify and calculate using given data and information the future financing requirements of an entity making reasoned assumptions and using suitable techniques to deal with uncertainty using information relating to current plans and operations
- (i) Identify appropriate options for financing an entity based on a given business scenario and environment

2. Basic models for business analysis:

- (a) PEST analysis
- (b) Porter's five forces analysis
- (c) 4 p's of marketing and extended marketing mix (7Ps)
- (d) Product life cycles
- (e) Boston Consulting Group matrix
- (f) SWOT analysis

3. Investment decisions:

- (a) Identify, and explain appropriate investment appraisal techniques using discounted and non discounted techniques
- (b) Identify, and explain appropriate data that may be used in cash flow calculations
- (c) Explain the decision rule in each of the investment appraisal techniques
- (d) Identify and explain the impact of non-financial factors on making investment decision taking into account economic, social and environmental issues

C. ROLE OF ACCOUNTANCY PROFESSION

10%

The role of professional accountants in business and society:

- (a) The public interest

- (b) Fundamental principles of ethics

D. MANAGEMENT AND ORGANISATIONAL BEHAVIOUR 30%

1. Management, individual and organisational behaviour:

- (a) Formal and informal organisation
- (b) Culture
- (c) Leadership and management
- (d) Individual and group behaviour in organisations
- (e) Team formation, development and management
- (f) Motivation of management and employees

2. Basic concepts of competitive advantage

- (a) Definition and types of competitive advantage
- (b) Explain how to create competitive advantage
- (c) Developing competitive advantage
- (d) Sustainable competitive advantage

3. Communications in Business

- (a) Basic Communication theory
- (b) Organisation Communication (formal & informal and internal & external)
- (c) Basic elements of report writing
- (d) Electronics communication presentation

A3. FINANCIAL ACCOUNTING

Purpose

Accounting is dealt with here primarily as a skill that supports the compilation of reliable financial accounts for sole traders, partnerships, companies and not for-profit entities. At this level accounting includes knowledge of the essential framework of assumptions that underpin reliable reporting.

Content and Competences

1 Recording transactions and events: 25%

- (a) State why it is important for an entity to maintain reliable financial records and prepare reliable financial statements
- (b) Identify the sources of data and information for compiling financial records and financial statements
- (c) Record and account for transactions and events relating to income, expenses, assets, liabilities and equity in accordance with generally accepted accounting practice
- (d) Record and account for changes in ownership, capital and equity for companies and partnerships

- (e) Compile a trial balance and state its purpose and uses

2 Adjustments to accounting records and financial statements: 25%

- (a) Use of accounting systems and the identification of errors and discrepancies including reconciliation procedures
- (b) Recording correcting entries for errors and omissions including stating their effect on the financial statements
- (c) Using control account reconciliations, external and other reconciliations to enable recording of correcting entries using suspense accounts and control accounts
- (d) Bank Reconciliation
- (e) Record and describe correcting entries and approved changes in a journal and in draft financial statements
- (f) Using an extended trial balance to support financial statement compilation

3 Recording non-current assets and depreciation 10%

- (a) Elements of cost
- (b) Initial Measurement and Recognition
- (c) Basic Accounting for Depreciation
- (d) Basic Accounting for Disposal

4 Compiling financial statements 40%

- (a) State and explain the purpose, nature and relationships among the main financial statement components.
- (b) State and explain the basis and purpose of the accruals, cash and break-up bases of accounting
- (c) Compile financial statements and straightforward supporting notes including the income statement, statement of financial position and cash flow statement that meet the requirements of an entity's primary users
- (d) In compiling financial statements students will be expected to be able to present such statements for sole traders, partnerships, companies and not for profit entities
- (e) In compiling financial statements students will be expected to be able to do so from incomplete records

APPLICABLE ACCOUNTING STANDARDS:

- ❖ Preface to IFRS
- ❖ Conceptual Framework for Financial Reporting
- ❖ IAS 1 Presentation of Financial Statements
- ❖ IAS 7 Statement of Cash Flows
- ❖ IAS 2 Inventories
- ❖ IAS 16 Property, Plant and Equipment (PPE)

A4. MANAGEMENT INFORMATION

Purpose

Accountants play a vital role in management and management decision-making. Business information deals with the production of accurate and useful information to support management and decision-making including costing, management accounting and the application of quantitative methods in financial management. Business information takes an integrated approach by developing an awareness of information technology and systems support.

Content and Competences

- 1 Costing/Pricing: 30%**
- (a) Classify costs for different purposes including identifying fixed and variable, product and period, direct and indirect and costs by nature, function and purpose
 - (b) Identify and calculate the costs of products, services and projects including process costs
 - (c) Identify and calculate unit costs and the effect of different costing methods on reported financial results using marginal and absorption costing approaches
 - (d) Select and explain the most appropriate costing approach for a given product or service for reporting and decision-making purposes
- 2 Forecasting, budgeting and decision making: 30%**
- (a) Compile forecasts for management information purposes
 - (b) Compile budgets and extracts from budgets using information provided
 - (c) Select and justify the choice of the most appropriate methods of budgeting for planning and controlling including motivational considerations, including:
 - ❖ Bottom-up and top-down approaches
 - ❖ Marginal and absorption approaches
 - ❖ Activity based costing
 - ❖ Zero-based and incremental approaches
 - ❖ Budget implementation and monitoring
 - (d) Compile and identify and explain the business consequences of a cash budget identifying flows, balances and limits
 - (e) Calculate and explain the working capital and cash cycles of a business

- (f) Calculate, explain and comment upon the contribution, break-even point and margin of safety for a product or service
- (g) Calculate, explain and comment upon the best allocation of scarce resources to a product or service based on contribution per unit of limiting factor

3 Information technology and systems: 40%

Explain and distinguish the nature of data, information and knowledge

- (a) Identify and explain the main information technologies that support modern information systems
- (b) Identify and explain the main information systems used by entities including business process systems, transactions processing systems, management information systems, decision-support systems and executive information systems
- (c) Identify and explain the main risks to the reliability of data and information and how these may be managed and controlled operationally and through management of systems and technology including development of new systems
- (e) Explain, describe or discuss the importance of aligning IT strategy with business strategy
- (f) Identify and explain the data processing methods that aid in generation of Management information such as:
 - Batch Processing
 - Online processing
 - Real time processing
 - Distributed processing
 - Multi tasking/Multi processing
- (g) Professionals Accountants and career Path in IT environment
- (h) Information Technology Architecture
Explain, describe or discuss how IT architecture relates to the entity's business model
 - General systems concepts
 - Transaction processing in business systems
 - Hardware components
 - Software
 - Protocols, standards and enabling technologies
 - Data organization and access methods
- (i) Identify and explain the main risks to the reliability of data and information and how these may be managed and controlled operationally and through management of systems and technology including development of new systems covering but not limited to:

- Privacy Issues
 - Secrecy issues
 - Data transfer practices
 - Use of USB and other removable devices
 - Virus and worms
 - Access to social networking sites using company time and resources
- (j) Explain, describe or discuss how IT is managed within an organisation, with a focus on:
- Accounting systems
 - Performance monitoring, and
 - Change management and procedures for updating hardware and software.
- (k) Explain the impact of social media on organisations.

A5. BUSINESS LAW

Purpose

Business finance professionals are expected to have a sound foundation in law that is relevant to businesses and their operations. Professional accountants need a strong background in company law and law relevant to public sector entities. All business professionals also need knowledge of how laws affect them personally and in their own employment and business activities

Content and Competences

A COMPANY AND INSOLVENCY

40%

1 The legal framework and processes:

- (a) Introduction to the legal system
- (b) The distinction between civil law, criminal law, case law and statute

2 Company law

- (a) Identify state and explain the nature of and differences between a legal partnership and a company
- (b) State and explain the way in which a company or partnership may be formed including the creation of effective memorandum and articles of association and agreements in partnership
- (c) State and explain the consequences of incorporation including practical considerations of record keeping and filing
- (d) State and explain the procedures for the issue of shares.

- (e) State and explain the duties of directors including fiduciary and other duties and how they may be appointed, re-appointed, removed or in any other way cease office
- (f) Identify and explain the ways in which the capital of a company is maintained and protected including laws relating to distribution of profits
- (g) Identify and state the requirements for share transfer and disclosure of ownership
- (h) Identify and explain how shareholders can influence the composition of the board and strategy or decisions of a company
- (i) Identify and state how meetings of stakeholders can be requisitioned and how voting operates
- (j) Identify the rights of shareholders to challenge the management of a company
- (k) Identify and state the powers of directors.
- (l) Explain on issues bothering on notices, meetings and other secretarial practices
- (m) Identify and state the consequences of a breach of duty by a director
- (n) Identify and state the duties, powers and responsibilities of a company auditor including the basic steps to appoint and remove and auditor and how he may resign

3. Law of Insolvency

- (a) Identify and state the differences between the types of insolvency, liquidation and receivership including the rights of creditors and the shareholders and the procedures for winding up
- (b) Identify and explain the consequences of insolvency
- (c) Identify and explain the nature of and difference between fixed and floating charge

B CRIMINAL LAW

25%

Criminal law regulating businesses and professional accountants:

- (a) Identify, contrast and explain laws, ethics and ethical codes
- (b) Identify and state the basic laws relating to theft, fraud and deception
- (c) Identify and state the basic laws relating to bribery
- (d) Identify and state the basic laws relating to money laundering
- (e) Identify and state the basic laws relating to negotiable instruments

- (f) Identify situations relating to data protection and computer misuse
- (g) Electronic evidence
- (h) Explain the role of an Accountant as an expert witness in Computer Fraud Situations

C. CIVIL LAW 35%

1. Civil law regulating businesses and professional accountants:

- (a) Identify and explain how a contract may be made and how it can be enforced
- (b) Identify and explain the circumstances in which a contract may be terminated and the remedies for a breach of contract
- (c) State and explain the nature of an agency relationship
- (d) Identify situations where agency exists
- (e) Identify and explain the duties, rights and legal capacity of an agent
- (f) Identify and explain negligent actions or omissions and their consequences
- (g) Identify and explain vicarious liability
- (h) Nature and framework of e-contracts
- (i) Enforceability of e-contracts
- (j) Identify situations and state the law relating to employment, including contracts, duties and rights, dismissal unfair dismissal and other claims
- (k) Skills and analysis in context level

2. Laws Relating to Commercial Transaction

- (a) The Law of Trust
- (b) Sale of Goods
- (c) Hire Purchase & Leasing
- (d) Insurance
- (e) Law relating to Banking (BOFIA)

2. SKILLS LEVEL (APPLICATION)

B1. FINANCIAL REPORTING

Purpose

In this element the accounting from the knowledge and skills level is taken up a level into financial accounting in the context of more complex events and transactions with a greater emphasis on compliance with regulations including local and International Accounting Standards and generally accepted accounting practices in the public and private

sectors. Students will be expected to demonstrate an understanding of and competence in financial statement analysis and basic analysis of choices in accounting treatments.

Content and competences

1 Accounting and reporting concepts, frameworks and practices: 15%

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

2 Preparing separate financial statements: 25%

- (a) Identify and state the circumstances in which private sector entities are required to prepare and present statutory financial statements.
- (b) Identify and state the laws, regulations accounting standards and other requirements that govern the production of financial statements by such entities.
- (c) Draft and compile financial statements, or extracts from them, of an entity in accordance with its chosen policies and in accordance with IFRS and local law.
- (d) Assess the circumstances in which the use of IFRS for companies may not be required.

3 Financial statement analysis and evaluation: 30%

- (a) Calculate basic financial ratios and assess the financial results and position of a single entity.
- (b) Evaluate, judge and advise on the appropriateness of chosen accounting policies with regard to compliance with international reporting standards.

4 Preparing consolidated financial statements of simple group (parent and one subsidiary): 30%

- (a) Identify and state the circumstances in which entities are required to prepare and present statutory consolidated financial statements.
- (b) Identify and state the laws, regulations accounting standards and other requirements that govern the production of consolidated financial statements by entities.
- (c) Identify from data provided a subsidiary or associate in accordance with the international financial reporting framework and local law.
- (d) Evaluate and calculate the figures to be included in consolidated financial statements in respect of an acquisition involving one subsidiary and associate, continuing ownership but not including disposals of subsidiary and associate.
- (e) Draft, compile and present the consolidated financial statements or extracts of them in accordance with selected accounting policies and the requirements of IFRS.

Applicable Accounting Standards:

- ❖ Preface to IFRS
- ❖ Conceptual Framework for Financial Reporting
- ❖ IAS 1 Presentation of Financial Statements
- ❖ IAS 2 Inventories
- ❖ IAS 7 Statement of Cash Flows
- ❖ IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- ❖ IAS 10 Events after the Reporting Period
- ❖ IAS 11 Construction Contracts
- ❖ IAS 12 Income Taxes
- ❖ IAS 16 Property, Plant and Equipment
- ❖ IAS 17 Leases
- ❖ IAS 18 Revenue
- ❖ IAS 20 Accounting for Government Grants and Disclosure of Government Assistance
- ❖ IAS 23 Borrowing Costs
- ❖ IAS 24 Related Party Disclosures
- ❖ IAS 27 Consolidated and Separate Financial Statements
- ❖ IAS 28 Investments in Associates
- ❖ IAS 31 Interests in Joint Ventures
- ❖ IAS 32 Financial Instruments: Presentation
- ❖ IAS 33 Earnings per Share
- ❖ IAS 36 Impairment of Assets
- ❖ IAS 37 Provisions, Contingent Liabilities and Contingent Assets
- ❖ IAS 38 Intangible Assets

- ❖ IAS 39 Financial Instruments: Recognition and Measurement
- ❖ IAS 40 Investment Property
- ❖ IFRS 3 Business Combinations
- ❖ IFRS 5 Non-current Assets Held for Sale and Discontinued Operations
- ❖ IFRS 7 Financial Instruments: Disclosures
- ❖ IFRS 8 Operating Segments

B2. AUDIT AND ASSURANCE

Purpose

With students now possessing knowledge of accounting systems and generally accepted accounting practices auditing principles and practice builds a firm foundation in the nature and purpose of both internal and external audit including modern risk based and systems based techniques and basics of reporting internally and externally. There is an emphasis on knowledge of International Standards of Auditing and their application to straightforward situations requiring audit judgement.

Content and Competences

A. OBJECTIVES AND PROCESSES

30%

Objectives, process and need for external audit and assurance:

- (a) Define and explain the concepts of audit and assurance.
- (b) State and explain the reasons for and the benefits gained from the different types of audit and assurance assignments including those relating to financial statements, internal controls, corporate social responsibility and sustainability reports.
- (c) State and explain the parties and their roles, duties and rights in an assurance engagement including the members of the assurance team.
- (d) Identify and explain using suitable comparisons the different levels of assurance that may be obtained from assignments.
- (e) Identify and explain the meaning of expectation gaps in the context of audit and assurance assignments and their implications for the profession, including fraud, going concern, internal control and risk issues.
- (f) State and explain the basic steps or components of an assurance process:
 - ❖ The approach, obtaining assignments and nomination
 - ❖ Accepting an engagement
 - ❖ Appointment
 - ❖ Scope of work
 - ❖ Risk and risk assessment
 - ❖ Different approaches

- ❖ Planning
 - ❖ Performance
 - ❖ Evidence and obtaining evidence
 - ❖ Testing and other work
 - ❖ Evaluating results
 - ❖ Concluding and considering an appropriate report.
 - ❖ Reporting
 - ❖ Records and working papers
- (g) State and explain the meaning of public interest and the need for professional scepticism in carrying out assurance engagements.
- (h) State and explain the meaning of materiality.
- (i) State and explain the meaning of reasonable assurance.
- (j) State and explain the meaning of an opinion and an assurance report.
- (k) State and explain the legal framework of External Audit and Assurance
- ❖ Difference between internal and external audit
 - ❖ The scope of internal audit
 - ❖ Public sector audit

B. Internal Control

20%

The nature and use of internal controls:

- (a) State and explain the nature of internal financial controls and internal controls.
- (b) State and explain the meaning of effective internal financial controls and internal controls.
- (c) Identify and explain the business, reporting and compliance objectives supported by internal controls.
- (d) State and explain the different types of internal control with emphasis on internal financial controls.
- (e) State and explain the main components of internal control including, the control environment, risk assessment, control activities, information and communication and monitoring activities.
- (f) Identify and evaluate internal controls in a scenario stating how the controls support particular aspects of reliable financial reporting and support the prevention and detection of fraud and error.
- (g) Identify and evaluate internal control weaknesses in a given scenario explaining how these may be rectified.
- (h) Identify and explain how accounting systems and related internal controls may be identified, recorded and analysed.

- (i) Identify, state and explain the limitations of internal controls.

C Gathering Evidence

30%

The nature of audit evidence and the selection of sufficient appropriate evidence

- (a) State and explain why it is important to maintain and keep working papers and other documentation.
- (b) State, identify and explain the different sources and quality of evidence and the methods of obtaining evidence including documenting and assessing systems and controls, tests of controls, substantive tests and analytical procedures.
- (c) State and identify the differences in quality and reliability of different sources of audit evidence and the efficiency and effectiveness of different methods of obtaining evidence.
- (d) Identify, state and explain appropriate procedures to gather evidence including all of the above sources and procedures based upon a given scenario.
- (e) Identify and evaluate based on a given scenario including information regarding evidence obtained whether that evidence is sufficient to provide an appropriate basis for a given opinion or report.
- (f) Identify the circumstances where written representations may be required stating how reliable such evidence may be.
- (g) Identify and evaluate the circumstances where matters need to be raised with a senior assurance team member and how this should be communicated and documented.

D Ethics

20%

Professional ethics, public interest, fundamental objectives, threats and safeguards to independence:

- (a) Explain the importance of professional ethics.
- (b) Explain the differences between rules based and principles based approaches to professional ethics.
- (c) Identify and explain in context the meaning of public interest.
- (d) Identify and explain ethical issues based on the IFAC code.
- (e) Select suitable actions to deal with ethical dilemmas.
- (f) Identify and explain in context the fundamental ethical principles.
- (g) Identify and explain in context the ethical threats and safeguards
- (h) Identify and explain in context ethical conflicts as an employee and as a practising accountant.

Applicable Auditing Standards:

- ❖ 200 Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing
- ❖ 300 Planning an Audit of Financial Statements
- ❖ 315 Identifying and Assessing the Risks of Material Misstatement Through Understanding the Entity and its Environment
- ❖ 320 Materiality in Planning and Performing an Audit
- ❖ 450 Evaluations of Misstatements Identified during the Audit
- ❖ 500 Audit Evidence
- ❖ 505 External Confirmations
- ❖ 520 Analytical Procedures
- ❖ 530 Audit Sampling
- ❖ 540 Auditing Accounting Estimates, Including Fair Value Accounting Estimates and Related Disclosures
- ❖ 580 Written Representations
- ❖ 700 The Auditor's Report on Financial Statements.
- ❖ Nigerian Standards on Auditing
- ❖ All the approved and released standards may be examined after six months of issue
- ❖ Companies and Allied Matters Act, 1990 as amended

B3. TAXATION

Purpose

Professional accountants need to understand tax to support both compliance and effective basic professional advice. The emphasis is on a basic knowledge and application of tax legislation relating to employees, employers, trading and operating and local business activities in straightforward situations. Students will be expected to be able to analyse the tax consequences of personal and corporate actions and activities.

Content and Competences

A. INTRODUCTION AND TAX ADMINISTRATION

30%

1. Introduction to Taxation

- (a) Define, list and explain the objectives and Purposes of Taxation
- (b) Enumerate and explain the types of taxes and tax system
- (c) Define and explain the Basic Concepts in taxation:
 - i. Tax base, tax yield, tax rate, tax incidence
 - ii Tax burden, tax impact, tax shift, tax effect
- (d) Distinguish between tax and other levies
- (e) Define and explain the Principles/Canons of Taxation
- (f) Distinguish, list and explain the following in relation to taxation in Nigeria

- i Types of taxes
- ii Enabling Acts
- iii Sources of the tax laws

2. Tax Administration in Nigeria

List, explain and contrast the Roles, functions, compositions and powers of:

- i. Joint Tax Board
- ii State Board of Internal Revenue
- iii Federal Inland Revenue Service and its management Board
- iv Joint State Revenue Committee
- v Local Government Revenue Committee
- vi Tax Appeal Tribunal

3. Assessments and Objections, Appeal and Remittances

(a) Distinguish between the Types of Assessments:

- i. Government assessment
- ii. Self assessment
- iii. Other forms of Assessments

(b) Identify and explain Tax Objection and Appeals procedures, covering the following:

- i. Time limit for objection and appeal
- ii. Contents of a notice of objection and appeal
- iii. Amendment of Assessment and refusal to amend
- iv. Appeals procedures and process: Tax Appeal Tribunal, Federal High Court etc

(c) Outline the basis for Registration and Filing of Returns with the FIRS, covering the following:

- i. Time within which to register
- ii. Registration requirements and process
- iii. Constituents of a tax returns
- iv. Due date for filing of tax returns
- v. Time within which to pay tax assessed

(d) State and explain the following in respect of Tax Clearance Certificate

- i. Definition and Content
- ii. List the Conditions for granting a tax clearance certificate
- iii. Outline the Transactions for which tax clearance certificate is required
- iv. State the procedure for processing Tax Clearance Certificate

B. Personal Income

30%

1. Taxation of Employment Income

- (a) Define employment; Contract of service and contract for service
- (b) Distinguish between the types of employments:
 - i. Nigerian employment and
 - ii. Foreign employment
- (c) Distinguish between employment, vocation and profession
- (d) Analyse and compute employment income
 - i. Cash emolument
 - ii. Benefit in Kind
 - iii. Taxable and tax free income
 - iv. Valuation of benefits in kind
- (e) State and explain the conditions for taxability of Employment Income
- (f) List and explain Allowable and Non Allowable Deductions including case laws
- (g) Compare and explain Assessment and collection of employment taxes, together with basic computation and explanation of the following:
 - i. Pay As You Earn (PAYE) registration
 - ii. Basis of assessment
 - iii. Computation of PAYE taxes
 - iv. Filing of returns: Employee and Employer
 - v. Offences and Penalties

2. Taxation of Trust, Settlements and Estates

- (a) Define trust, settlements and estates
- (b) Determine taxable Income
- (c) Determine Income from the trusts, settlement or estate
- (d) Identify and explain Allowable and Non allowable expenses
- (e) Compute tax liability in the hands of beneficiaries and trustees
- (f) Identify Relevant tax authority
- (g) State and explain Offences and Penalties

3. Taxation of Investment Income

- (a) Compute Rent on property, including contractor-financed projects
- (b) Explain the taxation Savings
- (c) State and explain the tax implications on Dividends and interests
- (d) Explain the basis of Assessments and payment of taxes on investment incomes

C Business Income

30%

1. Taxation of Business Income

(a) Sole Traders

- i. Explain the meaning of a trade or profession; adventure in nature of trade; badges of trade
- ii. Compute Assessable Profit of a trade or profession
 - ❖ Identify Taxable and Non-taxable income
 - ❖ Identify and explain Allowable and Non-Allowable expenses
- iii. Determine Basis period for assessment:
 - ❖ Definition and Types
 - ❖ Outline and apply the Rules for commencement, change of accounting date and cessation
- iv. Capital Allowance Computation
 - ❖ Define and outline Types of Capital Allowances
 - ❖ Define and explain types of Qualifying Capital Expenditures
 - ❖ State and explain Conditions for granting CA
 - ❖ Identify Capital Allowance Rates and Restrictions
 - ❖ Compute Balancing Adjustments on Disposal of qualifying capital expenditures
- v. Loss Relief
 - ❖ Identify and explain Types of reliefs and their treatments
 - ❖ Outline and explain the Treatments of losses under commencement and cessation of business

(b) Partnerships

- i. Determine the taxable income of Partners
- ii. Compute assessable profit of a partnership business
- iii. Identify and explain Allowable and Non-allowable expenses
- iv. Assess the Tax treatment under admission and resignation of a partner

(c) Limited Liability Companies

- i. Identify the Types of Companies and Chargeable Profits
- ii. Identify Persons liable
- iii. Compute Assessable Profit
 - ❖ Outline and explain Taxable and Non-taxable income
 - ❖ Outline and explain Allowable and Non-Allowable expenses

- iv. Evaluate the Basis period for assessment:
 - ❖ Define and state Types
 - ❖ State and explain the Rules for commencement, change of accounting date and cessation
- v. Capital Allowance Computation
 - ❖ Define and explain Types of Capital Allowances
 - ❖ Define and explain types of Qualifying Capital Expenditures
 - ❖ State and explain Conditions for granting CA
 - ❖ Identify and apply the Capital Allowance Rates and Restrictions
 - ❖ Compute Balancing Adjustments on Disposal of qualifying capital expenditures
- vi. Loss Relief
 - ❖ Explain Loss relief principles
 - ❖ Identify and explain the Treatment of losses under commencement and cessation of business
- vii. Compute Companies income tax, taking the following into consideration:
 - ❖ Total profit
 - ❖ Minimum tax
 - ❖ Dividend distribution
 - ❖ CIT rate

2. Taxation of Specialised businesses

- (a) Outline and apply the tax provisions for Real estate, agriculture, etc
- (b) Outline the tax provisions and compute tax on Transportation and telecommunication businesses
- (c) Outline and explain circumstances and basis for Turnover taxes
- (d) Identify and explain criteria to be eligible for Small Company relief
- (e) State the basis for Taxation of enterprises in Free trade zones
- (f) Explain and apply the Provisions of the Nigerian Information Technology Development Agency Act (NITDA) 2007.

3. Tertiary Education

- (a) Outline the objectives and basis of computation of tertiary education tax as provided in the enabling act
- (b) Explain the Imposition, assessment and collection of the tax
 - i. State the Management and administration of the Tertiary Education Tax Fund
 - ii. State the Composition and functions of the Board of Trustees

- iii. Explain the Allocation and Distribution of the tax
- iv. State the Offences and Penalties for non-compliance

D TRANSACTIONS

10%

Transaction Taxes

- (a) Withholding Tax
 - i. Define and explain the nature, objectives and administration of WHT
 - ii. Outline the Transactions/income subject to withholding taxes and rates
 - iii. State the Relevant tax authority for collection
 - iv. Explain the filing of WHT Returns and list the Contents and time frame
 - v. Outline the provisions relating to WHT Refunds, Grounds and Procedures
 - vi. Explain the Remittance of WHT to Tax Authorities
 - vii. What are the Administrative bottlenecks and problems of WHT
 - viii. What are the benefits of the withholding tax scheme

- (b) Value Added Tax (VAT)
 - i. Define and explain the nature, objectives and administration of VAT
 - ii. Explain Taxable persons and taxable supplies of goods and services
 - iii. Define and explain the basic concepts relating to VAT, such as Input tax, output tax; exemption and zero rated supplies and services, reverse VAT, basic tax point, actual tax point and standard Rate
 - iv. Compute VAT liability, including the treatment of closing and opening stock
 - v. Outline the obligation for Registration, records and accounts keeping, and valid VAT Invoice
 - vi. Explain the requirements for Filing of VAT Returns and Remittance of VAT liability
 - vii. Explain the treatment of VAT on import of goods and services and exported services
 - viii. State the offences and penalties
 - ix. Explain the provision on VAT Recovery

- (c) Stamp Duties:
 - i. Define the nature and objectives of stamp duties
 - ii. Outline the Instruments Chargeable
 - iii. State the Relevant Tax Authority for Collection

- iv. Explain the types of Stamps and the form Stamp Duties
- v. Explain the time limit for stamping and implications for non-stamping
- vi. Discuss the recoverability of outstanding duties
- vii. Outline the stamp duties rates and the basis of computation
- viii. Explain the administration, territorial limits and the methods of stamping
- ix. Explain the process of Adjudication, the limits and appeals procedures.

B4. PERFORMANCE MANAGEMENT

Purpose

Performance management develops and deepens student's capability to provide information and decision support to management in operational and strategic contexts with a focus on linking costing, management accounting and quantitative methods to critical success factors and operational strategic objectives whether financial, operational or with a social purpose. Students will be expected to be capable of analysing financial and non-financial data and information to support management decisions.

Content and Competences

A. PLANNING AND CONTROL MANAGEMENT

25%

1. Entity performance management

- (a) Select and calculate suitable financial performance measures for a given business from given data and information evaluating the results based on business objectives and advising upon management action.
- (b) Select and calculate suitable non-financial performance measures for a given business from given data and information evaluating the results based on business objectives and advising upon management action.
- (c) Explain and assess the use of balanced scorecard methods including evaluation of performance from given data and information.
- (d) Explain and evaluate the use of value for money (VFM) techniques in performance management.
- (e) Select and explain stakeholder based measures of performance that may be used to evaluate social or environmental performance of a business.

- 2. Divisional performance management**
- (a) Select and calculate suitable bases for setting transfer prices for decision-making and performance measurement based on given information for a given business evaluating the results and advising upon management action.
 - (b) Select and explain suitable divisional performance measures for a given business using return on investment, residual income and economic value added approaches evaluating the results and advising upon management action.
- 3. Planning and Control**
- (a) **The purpose of budgetary control systems**
 - ❖ Alternative approaches to budgeting including incremental budgeting, zero-based budgeting, activity-based budgeting and rolling budgets
 - (b) **Variance Analysis**
 - (i) Calculate and present using absorption or marginal costing techniques performance management reports that reconcile actual and budgeted results.
 - (ii) Apply flexed budgeting techniques to a given scenario.
 - (iii) Calculate using given information and advise management of the implications of and actions required based on variances including:
 - ❖ Sales, price and volume variances.
 - ❖ Materials use and price variances.
 - ❖ Variable overhead expenditure and efficiency variances.
 - ❖ Fixed overhead volume, capacity and efficiency variances.
 - ❖ Material mix and yield variances.
 - ❖ Sales mix and quantity variances.
 - ❖ Planning and operational variances.

A. DECISION MAKING

25%

Advanced Decision-making and decision support

- (a) Select and calculate suitable relevant cost bases based on given data and information evaluating the results and advising on management action.
- (b) Select, calculate and present cost volume profit analyses and break even analyses based on a given business and given data and information using both numerical and graphical techniques evaluating the results and advising on

management action including single and multiple product decisions.

- (c) Select relevant limiting factors for a scarce resource or resources in a given business scenario applying a relevant technique given business objectives including make or buy decisions.
- (d) Calculate and present using simultaneous equations or graphical techniques an optimal solution to a given business problem with scarce resources advising upon management action
- (e) Calculate and present numerically and graphically the optimum selling price for a product or service using given data and information for a given business and advising upon management action.
- (f) Select and advise management upon suitable pricing strategies for a given business based on a given business scenario and given business objectives using linear programming technique.
- (g) Select calculate and advise management upon suitable techniques to deal with make or buy decisions, in-house or outsourcing decisions, contract pricing decisions and decisions on whether to undertake further processing or not.
- (h) Select and explain how management can deal with uncertainty in decision-making including the use of simulation, decision-trees, expected values and sensitivity analysis applying such techniques to a given business with given data and information including giving advice to management.
- (i) Target costing and lifecycle costing
- (j) Product and segment profitability analysis
- (k) Theory of constraints, throughput and backflush accounting
- (l) Activity-based analysis for decision making

C Strategic Performance Management 25%

- (a) Analyse and evaluate given a scenario for a given business given its objectives, critical success factors and strategy using techniques such as c analysis, five forces analysis, the Boston Consulting Group model, value chain analysis, Ansoff's matrix bench marking, and other suitable strategic models including information about its strengths weaknesses opportunities and threats suitable performance measures at a strategic level.
- (b) Analyse and evaluate including calculations of suitable performance measures for a business given a scenario including return on capital employed, return on investment, earnings per share, earnings before interest, tax, depreciation

and amortisation, residual income, net present value and internal rate of return and assessment of mutually exclusive projects with unequal lives.

- (c) Analyse and evaluate given a business scenario suitable measures of liquidity, gearing and cash flow for a business entity.

D IMPACT OF INFORMATION TECHNOLOGY

25%

1. Performance and management systems

- (a) Evaluate and advise management on suitable information technology and information systems support that may enable them to operate effective operational and strategic performance management systems covering:
- i. Sources of Information
 - ii. Information Technology tools for Performance management at various levels (Strategic, Tactical and Operational)
 - iii. Use of Internet Technologies for Performance management and Key performance Indicators
- (b) Evaluate and advise management on suitable approaches that may be used to manage people issues and change when implementing performance management systems.

2. Systems Design, Acquisition and Development Process

Explain, describe or discuss the stages of the systems acquisition and development process and understand the role of the accountant within it.

- ❖ Systems acquisition/development life cycle phases, tasks
- ❖ Investigation and feasibility studies
- ❖ Requirements analysis and initial design
- ❖ Systems design, selection, acquisition/development
- ❖ Systems implementation
- ❖ Systems maintenance and program changes
- ❖ Project management, project planning, project control methods and standards

B5. PUBLIC SECTOR ACCOUNTING AND FINANCE

Purpose

An understanding of the public sector environment, legal framework and financial authorities that support the compilation of reliable financial accounts for the public sector and evaluation of the financial performance of the Nigerian economy.

Content and Competences

A FRAMEWORK AND CONCEPT 20%

1. The Constitutional and Regulatory Framework Of Public Sector Accounting

Explain the importance of the constitutional, legislative and regulatory context of public sector accounting with specific emphasis on:

- i. The constitutional provisions on revenue, revenue allocation and public expenditure (Federal, State and Local Public sector)
- ii. The provision of the finance (Control and Management Act of 1958, as amended).
- iii. Financial Regulations for Federal and State Public sector, and the financial Memoranda for Local Public sector.
- iv. Federal Treasury Accounting Manual
- v. Fiscal Responsibility Act, 2010
- vi. Public procurement Act, 2007
- vii. The Generally Accepted Accounting Principles applicable to the Public sector, Local and International Sources.
- viii. Nigerian Extractive Industries Transparency Initiative (NEITI)
- ix. Ethical issues in Public sector Accounting
- x. Structure, governance and standard setting process of IPSASB

2. Public Sector Accounting Concepts and Pronouncements

Discuss:

- i. Accounting concepts, bases and principles relevant to public sector accounting.
- ii. The concept of funds, its relationship to the entity concept and its implications for income measurement and valuation.
- iii. Professional pronouncements on public sector accounting by the United Nations, the International Committee on Public sector Financial Management, Chartered Institute of Public Finance and Accountancy (CIPFA) and international Federation of Accountants (IFAC)
- iv. Standardization of Federal and State Public sector Reporting Formats in Nigeria
- v. Cash and Accruals basis accounting and public sector accounting
- vi. Relevant International Public Sector Accounting Standards
- vii. Emerging issues in Nigeria Public Sector

Planning and Budgeting in Public Sector

- (a) Planning and Budgeting
 - i. Describe and explain the Medium-Term Expenditure Framework
 - ii. Describe the objectives/Uses of Annual Budget in the Public Sector
 - iii. Differentiate and compile different types of Budgeting
 - ❖ Line – Item Budgeting System
 - ❖ Traditional/Incremental Budgeting System
 - ❖ Planning Programming Budgeting System (PPBS)
 - ❖ Programme Performance Budgeting System (PBS)
 - ❖ Zero – Based Budgeting System (ZBB)
- (b) Differentiate between Rolling Plans and Perspective Plans
 - i. Relationship between rolling and perspective plans with PPBS.
 - ii. Linkages between the perspective plan, rolling and the annual budgets Zero – Based
- (c) Describe Budgeting Process and Budgetary Control
 - i. Stages in the Budget Cycle
 - ii. Procedure for Budget Execution and Achievement of Target
 - iii. Vote Book and Expenditure Control
 - iv. Revenue Control Procedures
- (d) Appraise projects in the public sector using
 - i. Cost-benefit analysis
 - ii. Cost-outcome analysis
 - iii. Cost-effectiveness analysis
 - iv. Net present value and internal rate of return
 - v. Dimensions of project performance such as availability, efficiency, outcome, effectiveness and accessibility.

C. REPORT AND AUDIT

30%

1. Public Sector Accounting and Financial Reporting

- (a) Public Sector Accounting Processes
- i. Compile Treasury Cash Book and Transcripts
 - ii. Describe Cash Management and Borrowing Guidelines
 - iii. Describe Types of Vouchers and their Uses
 - iv. Describe and Prepare Bank Reconciliation Statement
 - v. Prepare or/and describe using approved standard formats, the following:
 - ❖ Subsidiary Accounts – Deposit, Advance, Remittance/Cash Transfers
 - ❖ Loss of Public sector Fund
 - ❖ Payroll Accounting and Pension fund
 - ❖ Accounting for Foreign Mission
- (b) Prepare Statutory Financial Statements in Federal and State Treasury:
- i. Cash Flow Statement, Consolidated Revenue Fund, development fund and Statement of Assets and Liabilities
 - ii. Prepare Statutory Financial Statements in Local Public sectors
 - iii. Accounting for public sector contract
 - ❖ Fundamental principles for Procurement in the Public Sector
 - ❖ Tendering procedures on Construction/Contract, Goods and Services.
 - ❖ Approving authority and limit.
 - ❖ The role of procurement Planning Committee.
 - ❖ Contract Payment Procedures
 - ❖ Due process
- (c) Interpret Public Sector Financial Statements using relevant and appropriate techniques.

2. Accounting for Public Sector Organizations and Government Business Entity

- (a) Describe the general nature of and differences among these bodies.
- (b) Describe the financial provisions of enabling law for the relevant utilities, authorities, parastatals, boards, corporations, agencies and tertiary educational institutions.

- (c) Compile for the relevant utilities, authorities, parastatals, boards, corporations, agencies and tertiary educational institutions:
 - i. Statement of Financial Position
 - ii. Statement of Financial Performance
 - iii. Statement of Changes in Net Assets/Equity
 - iv. Statement of Cash flow
 - v. Explanatory Notes

3. **Public Sector Audit**

- (a) State and explain the legal requirements for audit in the public sector and the role of the Accountant General and Auditor General.
- (b) Explain the processes of appointing Auditors
- (c) Explain the basic steps in the process of auditing public sector financial statements.
- (d) Explain the concept of public accountability in the public sector
- (e) State and explain the financial guidelines for the operation of public sector
- (f) Explain the financial responsibilities of public sector officers.
- (g) State the nature and types of financial control in public sector.
- (h) Explain the Financial Control Institutions within the public sector including their functions and procedures:
 - ❖ Ministry of Finance, Office of the Accountant-General of the Federation, Budget Office, Expenditure Control Unit/Fund Section.
- (i) State and explain the roles of National and State Assemblies and Local Public sector Councils in financial management and Control.
- (j) Explain the financial management and virement procedures.
- (k) Evaluate and explain generally the application of International Standards of Supreme Audit Institutions (ISSAI) standards for assurance and audit and their relationship with International Standards on Audit (ISA's).
- (l) State and explain in context the role of value for money audit.

D. **FINANCE**

30%

- (a) The economic environment and role of the public sector.
 - i. Assess and evaluate the performance of the Nigerian Economy.
 - ii. Describe the role of the public sector in the economy
 - iii. Describe the objectives of fiscal responsibilities.

- (b) Main sources of revenue and capital finance.
State and explain the types of Revenue
 - i. Federation Accounts Revenue
 - ii. Federal Public Sector Independent Revenue

- (c) Identify and explain the roles of Revenue collection agencies
 - i. Nigerian National Petroleum Corporation (NNPC)
 - ii. Federal Inland revenue Service (FIRS)
 - iii. State Board of Internal Revenue Service
 - iv. Department of Petroleum Resources (DPR)
 - v. Nigerian Customs Service (NCS)

- (d) Evaluate the role of the Federation Accounts Allocation Committee
 - i. Composition and functions
 - ii. Bases of revenue allocation

- (e) Identify the charges to the Consolidated Revenue Fund
- (f) State and evaluate the revenue collection procedures and monitoring
- (g) Identify and explain grants as source of revenue to state and local government
- (h) Assess and evaluate the expenditure and revenue framework of public finance
- (i) Assess Borrowing policy and public debts
 - i. Funded and unfunded debts
 - ii. External loans: multilateral, Paris Club, London Club, promissory notes, others.
- (j) Evaluate the debt management strategies
 - i. Loans pooling and consolidation.
 - ii. Loan re-scheduling
 - iii. Debt-equity swap
 - iv. Debt forgiveness
 - v. Principles and practice of federalism, fiscal federalism, fiscal capacity and needs in multi-level public sector structures.
- (k) Evaluate Inter-public sectoral fiscal relations, Nigeria's experience with revenue allocation.

Applicable Accounting Standards:

IPSAS	Standard	IFRS
IPSAS 1	Presentation of Financial Statements	IAS1

IPSAS 2	Cash Flow Statements	IAS 7
IPSAS 3	Accounting Policies, Changes in Accounting Estimates and Errors	IAS 8
IPSAS 4	The Effects of Changes in Foreign Exchange Rates	IAS 21
IPSAS 5	Borrowing Costs	IAS 23
IPSAS 6	Consolidated and Separate Financial Statements	IAS 27
IPSAS 7	Investments in Associates	IAS 28
IPSAS	Standard	IFRS
IPSAS 8	Interests in Joint Ventures	IAS 31
IPSAS 9	Revenue from Exchange Transactions	IAS 18
IPSAS 10	Financial Reporting in Hyperinflationary Economies	IAS 29
IPSAS 11	Construction Contracts	IAS 11
IPSAS 12	Inventories	IAS 2
IPSAS 13	Leases	IAS 17
IPSAS 14	Events After the Reporting Date	IAS 10
IPSAS 15	Financial Instruments: Disclosure and	IAS 32

IPSAS	Standard	IFRS
IPSAS 16	Investment Property	IAS 40
IPSAS 17	Property, Plant & Equipment	IAS 16
IPSAS 18	Segment Reporting	IAS 14
IPSAS 19	Provisions, Contingent Liabilities & Contingent Assets	IAS 37
IPSAS 20	Related Party Disclosures	IAS 24
IPSAS 25	Employee Benefits	IAS 19
IPSAS	Standard	IFRS
IPSAS 26	Impairment of Cash-Generating Assets	IAS 36
IPSAS 27	Agriculture	IAS 41
IPSAS 28	Financial Instruments: Presentation	IAS 32
IPSAS 29	Financial Instruments: Recognition and Measurement	IAS 39
IPSAS 30	Financial Instruments: Disclosures	IFRS 7
IPSAS 31	Intangible Assets	IAS 38
IPSAS 32	Service Concession Arrangements: Grantor	IFRIC 12

IPSAS WITHOUT IFRS EQUIVALENT

IPSAS 21	Impairment of Non-Cash-Generating Assets
IPSAS 22	Disclosure of Financial Information About the General Government Sector
IPSAS 23	Revenue from Non-Exchange Transactions (Taxes and Transfers)
IPSAS 24	Presentation of Budget Information in Financial Statements
Cash Basis IPSAS	Cash Basis

- All new standards and laws may be examined after six months from the date of issue.

B6. MANAGEMENT, GOVERNANCE AND ETHICS

Purpose

This syllabus element takes knowledge from the first level into a contemporary business context in which excellence in management, effective risk management, sound corporate governance and good ethics support the operation of businesses, whether private or public sector entities that are better able to meet objectives, expectations and are focused on long-term sustainable success. Students will be expected to be capable of analysing simple scenarios in terms of good and best practice and compliance in the context of knowledge and skills that they have cumulatively developed.

Content and competences

A. STRATEGIC MANAGEMENT 30%

1. Analysis:

- (a) Analyse a business and its strategy given its purpose, mission, vision and objectives from a shareholder and stakeholder perspective.
- (b) Analyse the opportunities and threats arising from events or potential events in the environment of a business at a global, national, market, product and competitive level.
- (c) Analyse the current position of a business in terms of its competitive strategy, plans and current markets drawing

conclusions and giving straightforward advice on the chosen plans.

- (d) Analyse the current position of a business with a chosen strategy in the context of its environment based on an assessment of its resources, processes, people, IT, products core capabilities and competences, giving straightforward advice.
- (e) Draft an overall analysis drawing conclusions with advice based on given financial and non-financial data and information from a variety of sources in a given scenario.

2. Choice:

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

3. Implementation:

- (a) Analyse the alternative appropriate functional strategies that may be appropriate to deliver a chosen strategy set out in a given scenario.
- (b) Analyse the alternative appropriate organisational structures and related activities that may be appropriate to deliver a chosen strategy set out in a given scenario.
- (c) Analyse a chosen business strategy in a given scenario so that an evaluation may be undertaken leading to the drafting of a simple business plan.
- (d) Evaluate a given business plan from a shareholder or stakeholder perspective drawing conclusions and judgments as to whether it can meet the business's objectives in the context of its environment.
- (e) Evaluate and explain how information technology and information systems can support the effective implementation of a business strategy including issues of competitive advantage.
- (f) Evaluate and explain the potential issues of change arising from a chosen or given business strategic implementation plan.

B RISK MANAGEMENT:**20%**

- (a) Explain the meaning of risk and business risk including risks arising externally or internally and relating to achievement of
 - i. Strategic objectives
 - ii. Operational efficiency and effectiveness
 - iii. Reliable reporting
 - iv. Legal, regulatory and ethical compliance
- (b) Identify and assess risks in a given scenario and their impact upon objectives.
- (c) Identify and explain appropriate responses to risks identified in a given scenario.
- (d) Identify and explain appropriate high level procedures to mitigate risks in a given scenario.
- (e) Identify and explain appropriate mechanisms to monitor risk and risk management processes including information and communication systems.
- (f) Evaluate both inherent and residual risks after mitigation and judge them in relation to shareholder and stakeholder risk appetites in a given scenario.

C. GOVERNANCE:**25%**

- (a) Identify and explain the nature, significance and scope of enterprise governance and threats to effective governance.
- (b) Identify and based on a given scenario assess the role and responsibilities of an effective board.
- (c) Identify and based on a given scenario assess the issues of accountability of management to a board, private and institutional shareholders.
- (d) Identify and based on a given scenario evaluate the issues of transparency for an entity.
- (e) Explain the importance of probity as a principle of governance assessing issues and their implications in a given scenario.
- (f) Assess the extent to which a board is focusing on sustainable long-term success in a given scenario.
- (g) Assess the extent to which a board in the public sector is focusing on delivery of an effective and appropriate public service and acting in the public interest.
- (h) Discuss global development in enterprise and corporate governance.
- (i) Identify the scope, background and concept of corporate social responsibility.

- (j) Identify the scope, background and concept of sustainability in business.
- (k) Explain, describe or discuss the governance and management issues regarding Information Technology in organisations.

D. ETHICS:

25%

- (a) Explain and illustrate using information in a given scenario the meaning of business ethics.
- (b) Identify and explain in the context of a given scenario how business ethics and moral duties may be linked.
- (c) Identify and explain in the context of a given scenario how business ethics and business success may be linked.
- (d) Identify and assess in a given scenario issues of ethics and corporate social responsibility.
- (e) Identify and assess in a given scenario issue of professional ethics and corporate governance in accordance with ICAN Code of Professional Conduct and IFAC Code of Ethics for Professional Accountants.
- (f) Identify ICAN Professional Code of Conduct and Guide for members.

3. PROFESSIONAL LEVEL

C1. CORPORATE REPORTING

Purpose

This syllabus component, in the context of both the private extends student's coverage of generally accepted accounting practices but also deepens their understanding of reporting and their ability to apply practices to more complex situations. Assessments will test their ability to evaluate the acceptability of alternatives from a compliance perspective and an understanding as to how reporting alternatives affect the results, position and risks disclosed by entities. Assessments will also include considerations relating to the use of complex financial instruments. Students may be assessed on their understanding of earnings management, creative accounting and aggressive earnings management. Students may also be assessed on their competences in financial statement analysis and analysis of other reports as a basis for understanding the position, performance and risks of businesses. Reporting extends to sustainability and corporate social responsibility reports and business reviews management commentaries or similar reports.

Content and Competences

A. CURRENT ISSUES IN REPORTING FRAMEWORK 10%

1. The reporting framework and generally accepted practice:

- (a) Evaluate and apply basic calculations to show how accounting requirements nationally and internationally affect financial reporting.
- (b) Explain how local and international standards of reporting are converging.
- (c) Identify and evaluate the ethical and professional considerations when undertaking work, giving advice on financial accounting and reporting including common dilemmas that may be faced based on business and reporting scenarios.

2. Current issues in corporate reporting

- (a) Identify and explain current issues arising in the development of generally accepted accounting practice at a local and international level.
- (b) An in-depth critical understanding of all technical pronouncements currently in issue with particular reference to their application to practical situations.
- (c) Explore the development in sustainability and integrated reporting.

B FORMULATION OF ACCOUNTING POLICIES 30%

Selecting, assessing and presenting suitable accounting policies:

- (a) Draft and advise upon suitable accounting policies based on a business scenario under local and international requirements for private sector entities including single and consolidated financial statements.
- (b) Evaluate and advise upon how alternative choices of revenue recognition, asset and liability recognition and measurement can affect the understanding of the performance, position and prospects of an entity in the private sector or when presenting consolidated or single entity financial statements.

C PREPARATION AND PRESENTATION

30%

Preparing and reporting information for financial statements and notes:

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

D ANALYSIS AND INTERPRETATION

30%

Interpretation and evaluation of financial information and disclosures:

- (a) Explain and communicate to a chosen user the application of IFRS and local requirements for a private sector entity.
- (b) Identify and assess the choice of accounting treatments that may be adopted based on a given scenario explaining how they may affect a users' understanding of a business.
- (c) Identify and assess chosen policies and treatments for a given entity or entities comparing the fairness of presentation and compliance with international and local practice for a private sector entity.

E. Financial and business analysis:

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

Applicable Accounting Standards:

- ❖ Preface to IFRS
- ❖ Conceptual Framework for Financial Reporting
- ❖ IAS 1 Presentation of Financial Statements
- ❖ IAS 2 Inventories
- ❖ IAS 7 Statement of Cash Flows
- ❖ IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- ❖ IAS 10 Events after the Reporting Period
- ❖ IAS 11 Construction Contracts
- ❖ IAS 12 Income Taxes
- ❖ IAS 16 Property, Plant and Equipment
- ❖ IAS 17 Leases
- ❖ IAS 18 Revenue
- ❖ IAS 19 Employee Benefits
- ❖ IAS 20 Accounting for Government Grants and Disclosure of Government Assistance
- ❖ IAS 21 The Effects of Changes in Foreign Exchange Rates
- ❖ IAS 23 Borrowing Costs
- ❖ IAS 24 Related Party Disclosures
- ❖ IAS 26 Accounting and Reporting by Retirement Benefit Plans
- ❖ IAS 27 Separate Financial Statements
- ❖ IAS 28 Investments in Associates and Joint ventures
- ❖ IAS 29 Financial Reporting in Hyperinflationary Economies
- ❖ IAS 32 Financial Instruments: Presentation
- ❖ IAS 33 Earnings per Share
- ❖ IAS 34 Interim Financial Reporting
- ❖ IAS 36 Impairment of Assets
- ❖ IAS 37 Provisions, Contingent Liabilities and Contingent Assets
- ❖ IAS 38 Intangible Assets
- ❖ IAS 39 Financial Instruments: Recognition and Measurement
- ❖ IAS 40 Investment Property
- ❖ IAS 41 Agriculture
- ❖ IFRS 1 First-Time Adoption of IFRS
- ❖ IFRS 2 Share-based Payment

- ❖ IFRS 3 Business Combinations
- ❖ IFRS 4 Insurance Contracts
- ❖ IFRS 5 Non-current Assets Held for Sale and Discontinued Operations
- ❖ IFRS 6 Exploration for and Evaluation of Mineral Resources
- ❖ IFRS 7 Financial Instruments: Disclosures
- ❖ IFRS 8 Operating Segments
- ❖ IFRS 9 Financial Instruments
- ❖ IFRS for SMEs
- ❖ SAS 32
- ❖ IFRS 10 Consolidated Financial Statements
- ❖ IFRS 11 Joint Arrangements
- ❖ IFRS 12 Disclosure of Interest in other entities
- ❖ IFRS 13 Fair Value Measurement
- ❖ All new standards and laws may be examined after six months from the date of issue.

C2. ADVANCED AUDIT AND ASSURANCE

Purpose

To develop candidate's understanding of the critical aspects of managing and assurance engagement (including audit engagements): acceptance, planning, managing, concluding and reporting.

Content and competences:

A. LEGAL AND REGULATIONS

20%

Legal, regulatory and ethical issues:

- (a) Assess and advise on technical, professional and ethical issues that may arise during assurance engagements in public and private including evaluation and communication with any party to the engagement.
- (b) Identify and make judgements upon when it may be appropriate to refer a matter to a more senior colleague or for third party advice or consultation.
- (c) Identify and explain the nature and purpose of laws, regulations standards and codes in the context of assurance engagements.
- (d) Explain, evaluate and communicate the process and issues in the standard setting process at national and international level.
- (e) Evaluate and communicate the interaction between national laws and regulations and the requirements of an assurance engagement.
- (f) Evaluate and communicate the differences between different jurisdictions and how the deal with audit issues

including national approaches, international approaches and approaches such as the US Sarbanes-Oxley and related requirements for audit.

- (g) Identify, evaluate and explain how audits may fail to meet expectations of users.
- (h) Identify, evaluate and explain the extent of legal liability including criminal and civil law liability including professional negligence issues and how they can be mitigated.

B. ACCEPTING ENGAGEMENT AND MANAGING ASSIGNMENTS 15%

Accepting engagements and managing assignments:

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

C. PLANNING AND UNDERTAKING WORK 40%

1. Planning and undertaking work:

- (a) Analyse, evaluate and explain based on a business scenario the areas of a business that may be important to understand to develop an effective strategy or plan.
- (b) Analyse and evaluate the techniques available to obtain and effective understanding.

- (c) Analyse and evaluate the situations when third party expertise may be required.
- (d) Evaluate and communicate the elements of audit risk including inherent risk, control risk and detection risk and their relationship to audit planning of procedures.
- (e) Identify and evaluate the components of risk for any assurance engagement.
- (f) Evaluate and explain how business process effectiveness may affect an assignment.
- (g) Identify and evaluate the risks arising in a business scenario from accounting manipulation, error, fraud or other irregularities.
- (h) Identify and evaluate the risks arising in a business scenario from business and financial issues.
- (i) Evaluate and apply judgments and measures of materiality in carrying out an audit or assurance engagement.
- (j) Evaluate and apply analytical procedures that may be used to plan an audit or assurance engagement.
- (k) Analyse and evaluate how risk and materiality judgments affect the planning of an assurance or audit engagement, including the nature, timing and extent of work.
- (l) Develop a proposed audit plan with justifications of judgements made based on a business scenario for an audit or assurance engagement including considerations relating to:
 - ❖ Materiality decisions
 - ❖ Internal control assessments including IT control
 - ❖ Reliance on internal audit, specialists and the work of other auditors
 - ❖ Use of client generated data, information and reports
 - ❖ Tests of control, substantive procedures including analytical procedures
 - ❖ Visits to locations, branches and departments
- (m) Identify and explain appropriate procedures for assurance engagements for corporate social responsibility and sustainability reports.
- (n) Identify and explain the differences between assurance engagements and audit engagements for profit and not-for profit entities include those in the public sector.
- (o) Specify and explain in accordance with appropriate local legislation and international auditing and assurance standards the steps and procedures for audit and assurance work in the private and public sector.

- 2. Assessment of risks, internal controls, internal financial controls:**
- (a) Identify and assess based on a given business and a given scenario the business, reporting and compliance risks in the context of an assurance or audit engagement in the public or private sector.
 - (b) Communicate advice or a report based on the assessment above.
 - (c) Explain the impact of Information Technology in Audit Environment.
 - (d) Analyse the role of Information Technology control framework in internal control.

- 3. Evaluation of accounting treatments:**
- Analyse and evaluate, drawing conclusions on the appropriateness of stated accounting treatments in the context of a given business and a given scenario in the public or private sector in an audit assignment based on International Standards on Auditing and IFRS.

D DRAWING CONCLUSION AND REPORTING 25%

Drawing conclusions and reporting:

- (a) Analyse, evaluate and propose how issues identified during the course of an assignment may be raised and dealt with in communication with management, directors and those charged with governance including action taken when issues cannot be agreed.
- (b) Identify, apply and explain procedures that may be used and considerations relating to the identification of subsequent events that may require adjustment or disclosure.
- (c) Identify, apply and explain procedures that may be used and considerations relating to the identification of risk issues that may require disclosure.
- (d) Evaluate and apply quantitative and qualitative judgments based on the results of tests and evidence obtained.
- (e) Draw conclusions and advise on the capability to report on an assurance engagement or audit engagement including reporting findings, giving an external audit opinion or dealing with other issues that may require to be included in an audit report.
- (f) Draft extracts of a suitable assurance report or management report based on a given scenario and entity.
- (g) Draft extracts of a suitable audit report or management report based on a given scenario and entity and in accordance with local law and international standards of accounting and audit.

- (h) Evaluate and apply suitable judgements on when it may be appropriate to refer to a specialist in preparing and opinion or report.
- (i) Evaluate and apply suitable judgements on when it may be appropriate to withdraw from, withdraw an opinion on or take other such appropriate action on an audit or assurance engagement.
- (j) Identify and explain the issues that may be relevant and the nature of report that may be given relating to risk management, internal controls and governance.

Applicable Auditing Standards:

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

- ❖ 580 Written Representations
- ❖ 600 Special Considerations – Audits of Group Financial Statements (including the Work of Component Auditors)
- ❖ 610 Using the Work of Internal Auditors
- ❖ 620 Using the Work of an Auditor's Expert
- ❖ 700 The Auditor's Report on Financial Statements
- ❖ 705 Modifications to the Opinion in the Independent Auditor's Report
- ❖ 706 Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report
- ❖ 710 Comparative Information – Corresponding Figures and Comparative Financial Statements
- ❖ 720 The Auditor's Responsibility Relating to Other Information in Documents Containing Audited Financial Statements
- ❖ 720 The Auditor's Statutory Reporting Responsibility in Relation to Directors' Reports
- ❖ 800 Special Considerations – Audits of Financial Statements prepared in Accordance with Special Purpose Frameworks
- ❖ 805 Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or items of a Financial Statement
- ❖ 810 Engagements to Report on Summary Financial Statements

International Auditing Practice Statements (IAPs):

- ❖ 1000 Inter-bank Confirmation Procedures
- ❖ 1004 The Relationship Between Banking Supervisors and Banks' External Auditors
- ❖ 1006 Audits of the Financial Statements of Banks
- ❖ 1010 The Consideration of Environmental Matters in the Audit of Financial Statements.
- ❖ 1012 Auditing Derivative Financial Instruments
- ❖ 1013 Electronic Commerce: Effect on the Audit of Financial Statements

International Standards on Review Engagements (ISREs):

- ❖ 2400 Engagements to Review Financial Statements
- ❖ 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity

International Standards on Assurance Engagements (ISAEs):

- ❖ 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information
- ❖ 3400 The Examination of Prospective Financial Information.
- ❖ 3402 Assurance Reports on Controls at a Service Organisation.

International Standards on Related Services (ISRSs):

- ❖ 4400 Engagements to Perform Agreed-upon Procedures Regarding Financial Information.
- ❖ 4410 Engagements to Compile Financial Statements.

IFAC Statements:

- ❖ ISQC1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services.
- ❖ IFAC IESBA Code of Ethics for Professional Accountants.
 - Insurance Act
 - BOFIA, including prudential guidelines and other circulars issued by CBN from time to time
 - Money (Prohibition) Laundering Act 2011
 - Corporate Governance Codes
 - ICAN Code of Ethics
 - Financial Reporting Standards (IFRS) Nigerian Standards on Auditing (NSAs)
 - CAMA, 1990 as amended

Specialised Audits and Investigations

- ❖ Understanding of special features of certain types of situations peculiar to:
 - farmers, professionals, hospitals, hotels, etc.
 - forensic investigation and reporting.
 - banks, insurance companies, primary mortgage institutions, etc.
 - “not-for profit” organizations – Charities, NGO’s, etc.
- ❖ Joint Audits.
- ❖ Investigations
 - Distinction between auditing and investigation.
 - Nature, classes and methods of investigation.
 - Auditors’ involvement with prospectuses and other offer documents.
 - Examination of financial forecasts and projections.
 - The report appropriate to each type of investigation.
- ❖ Insolvency and Business Recovery
 - Various legal processes involved in corporate distress.
 - Differences between receivership, receiver/manager, bankruptcy and liquidation.
 - Implications of insolvency for corporate governance and “going concern” threats.
 - Legal requirements
 - Handling insolvency assignments.
- ❖ Due diligence reviews for mergers, acquisitions and business combinations.

Application of Information Technology in Auditing

- a. Explain the impact of information technology in auditing environment
- b. Analyse the role of IT Control frameworks in Internal Controls (example COBIT Framework)

C3. STRATEGIC FINANCIAL MANAGEMENT

Purpose

Strategic Financial Management supports management in making informed decisions. Candidates are expected to apply relevant knowledge in recommending appropriate options for financing a business, recognising and managing financial risks and investments. Professional accountants need a strong background in: Accounting, Economics, Law, Mathematics and Behavioural Sciences.

Content and competences:

A. FINANCIAL ENVIRONMENT AND ROLE OF FINANCIAL MANAGERS 15%

- (a) Analyse and evaluate financial objectives within the strategic planning process.
- (b) Assess and advise on key stakeholders of organisations and the interests of each stakeholder group.
- (c) Evaluate the impact of macro economics and the role of international financial institutions in strategic financial management.
- (d) Evaluate and apply the concept of Corporate Social Responsibility, its relationship to the objective of maximising shareholders' wealth.
- (e) Assess and advise on agency theory and its relevance to financial managers.
- (f) Report on the professional, regulatory and legal framework relevant to financial management including: Stock exchange requirements, money laundering, directors' responsibilities.
- (g) Evaluate and communicate the key activities undertaken by treasury managers.
- (h) Analyse and evaluate Centralised treasury management and the arguments for and against.
- (i) Identify and assess the impact of emerging issues in strategic financial management.

B. BUSINESS ANALYSIS 25%

Evaluate and assess the value of businesses and share holder value giving advice based on business scenarios using:

- (a) Calculate the value of shares and businesses using appropriate investment appraisal techniques
- i. Dividend yield based valuation techniques.
 - ii. Price earnings ratio based valuation techniques.
 - iii. Discounted cash flow based valuation techniques.
 - iv. Asset based and net asset based measures of value.
 - v. Options based techniques.
 - vi. Value based management.
 - vii. Shareholder value analysis.
 - viii. Short and long term growth rates and terminal values.
 - ix. Economic profit methods.
 - x. Cash flow return on investment.
 - xi. Total shareholder return.
 - xii. Market value added.
 - xiii. Efficient Market Hypothesis (EMH) and practical considerations in the valuation of shares
- (b) Compute and discuss the effects of working capital on businesses.
- i. The nature, elements and importance of working capital
 - ii. Management of inventories, accounts receivable, accounts payable and cash
 - iii. Determine working capital needs and funding strategies
- (c) Apply appraisal techniques and demonstrate how interpretation of results from the techniques can influence investment decisions using the following:
- i. Investment appraisal techniques including:
 - Net Present Value
 - Adjusted Present Value
 - Internal Rate of Return
 - Payback.
 - Profitability index
 - ii. Inflation and specific price variation
 - iii. Taxation including capital allowances
 - iv. Single period and multi-period capital rationing. Multi-period capital rationing to include the formulation of linear programming technique
 - v. Specific investment decisions (lease or buy; asset replacement, capital rationing)
 - vi. Adjusting for risk and uncertainty in investment appraisal.
 - vii. Analyse and evaluate the potential economic return (using internal rate of return (IRR) and modified internal

rate of return) and advise on a project's return margin. Discuss the relative merits of NPV and IRR.

C. FINANCIAL ANALYSIS

25%

- (a) Identify capital requirements of business and assess financing options.
- (b) Evaluate and apply financing options for a business giving advice based on business scenarios including the use of:
 - ❖ Short, medium and long term alternatives including Islamic financing.
 - ❖ Issues of new capital.
 - ❖ Gearing and capital structure.
 - ❖ Finance for micro and small and medium sized entities (MSMEs)
 - ❖ Raising short and long term finance through Islamic financing
 - ❖ Dividend policy.
- (c) Evaluate and apply on the effect of capital gearing on investors' perception of financial risk and return.
- (d) Evaluate and apply on how group reconstructions, purchase of own shares and distributions using distributable profits may support financing decisions.
- (e) Evaluate and apply the cost of capital, portfolio analysis and bond evaluation based on business scenarios including the use of:
 - i. Cost of capital techniques including the cost of equity, debt, preference shares, bank finance, the weighted average cost of capital, convertibles and public sector discount rates.
 - ii. Portfolio theory, the capital asset pricing model, the cost of capital and the international cost of capital.
 - iii. Bond pricing using net present values.
 - iv. Understanding of yields, yields to maturity, duration and price volatility, term interest rates, corporate borrowing and default risk.
- (f) Develop proposals on long-term business plans from prescribed information.
- (g) Evaluate a business plan from the perspective of an equity investor or provider of debt funding.
- (h) Compare and evaluate the financial management of an organisation with that of competitors and industry norms.
- (i) Prepare, evaluate and discuss key financial management indicators based on the published financial statements of an organisation.

- (j) Benchmarking of selected financial Key Performance Indicators (KPIs) against companies in the same industry sector.

D. MERGERS AND ACQUISITIONS / CORPORATE RESTRUCTURING 20%

- (a) Assess and advise on:
 - i. Organic and acquisitive corporate growth.
 - ii. Benefits of Mergers and acquisitions to shareholders.
 - iii. Procedures to be complied with during an acquisition.
 - iv. Valuation of an organisation in the context of a potential takeover, using different methodologies.
 - v. Methods of financing mergers and takeovers, including cash, debt, equity and hybrids.
 - vi. Tactics used for friendly takeovers
 - vii. Defence tactics used during a hostile takeover.
 - viii. The role of legal and financial due diligence during a merger/acquisition.
 - ix. The attractions and risks associated with Management Buy-outs (MBOs).
 - x. Sources of finance for MBOs.
 - xi. The advantages and disadvantages of management buy-ins.
 - xii. The arguments for and against a quoted company going private
 - xiii. Forms of insolvency, preparation of statement of affairs
- (b) Analyse and evaluate on the symptoms and causes of corporate failure.
- (c) Advice on avoidance of corporate failure.

E. MANAGEMENT OF FINANCIAL RISKS: 15%

- (a) Evaluate and apply on the financial risks of a business based on a given scenario, data and information.
- (b) Assess and advise on how financial instruments such as hedging and derivative products may be used to manage risks and the nature of such products.
- (c) Assess and advise on the alternative approaches to managing interest rate exposure based on a given scenario, data and information evaluating the costs of basic hedging arrangements.
- (d) Assess and advise on the alternative approaches to managing currency rate exposure based on a given scenario, data and information evaluating the costs of basic hedging arrangements.

- (e) Evaluate and apply financial and planning options for a business giving advice based on business scenarios including the use of:
- i. Futures, options and swaps:
 - ❖ Interest rate futures.
 - ❖ Interest rate options.
 - ❖ Interest rate forward contracts.
 - ❖ Interest rate swaps.
 - ii. Foreign exchange planning:
 - ❖ Exchange rate determinants and risks.
 - ❖ Forward contracts.
 - ❖ Money market cover.
 - ❖ Currency options.
 - ❖ Currency swaps.
 - iii. Option values: in Capitalization
 - ❖ Value of a call option.
 - ❖ Value of a put option.
 - ❖ The Black Scholes option pricing model.
 - ❖ The binominal option pricing model.
 - ❖ Real option pricing.

C4. ADVANCED TAXATION

Purpose

Candidates will be tested on deeper and advanced aspects of all the topics treated at the Taxation in Intermediate Level B3. In addition, the following will be tested:

Content and competences:

1. TAX PLANNING AND ADVICE 20%

TAX INCENTIVES, TAX AVOIDANCE, TAX PLANNING AND TAX EVASION

- (a) Distinguish between tax evasion and avoidance
- (b) List examples of tax evasion activities
- (c) List examples of tax avoidance activities
- (d) Explain the concept of tax planning and tax mitigation
- (e) Discuss Tax Planning activities and strategies
- (f) Compare and contrast the Tax incentives for Manufacturing, Agricultural, Power Plants, Export oriented Businesses
- (g) Double Taxation Relief
- (h) Other Tax Planning Issues:
 - ❖ Thin Capitalisation
 - ❖ Tax Havens
 - ❖ Executives on Foreign Assignments

- ❖ Foreign Direct Investments
- ❖ Non - Tax Factors

2. CAPITAL GAINS TAX (CGT) 15%

- (a) Discuss the concept, scope and administration of Capital Gains Tax
- (b) Compute chargeable Gain and Capital Gains Tax.
- (c) Discuss special situations under CGT
- (d) Planning and Reliefs:
 - i. Explain the provisions relating to the replacement of business assets (Rollover relief)
 - ii. Explain the provisions relating to Delayed Remittances
- (e) Outline and explain the offences and Penalty

3. COMPANIES TAX 35%

A. COMPANIES INCOME TAX

- (a) Ascertain the tax liability of companies based on:
 - i. Total profit
 - ii. Minimum Tax
 - iii. Dividend distribution
- (b) Describe the detailed tax position and compute Tax of specialised businesses such as:
 - i. Insurance, Banks, Leasing companies
 - ii. Transportation and Communication companies
- (c) Demonstrate Basis period for assessment, relating to:
 - i. Commencement, Change of accounting date and cessation of companies
 - ii. Mergers and acquisition
- (d) Explain the taxation of Non-resident companies doing business in Nigeria, either through:
 - i. Fixed base, dependent agents,
 - ii. Subsidiaries and turnkey projects
- (e) Explain and compute tax on Income earned from abroad, together with the application of tax rules and reliefs available as follows:
 - i. Reliefs under CITA
 - ❖ Commonwealth tax relief
 - ❖ Double taxation relief
 - ii. Impact of Double tax Treaty
 - iii. Resolution of Conflict between DTAs and Nigerian tax laws

- iv. Nigerian Double Tax Agreement
 - ❖ Active DTAs
 - ❖ Taxation of Business profits, movable and immovable properties
 - ❖ Taxation of investment incomes
 - ❖ Dispute resolution mechanism
- (f) Pioneer Legislation (Industrial Development (Income Tax) Relief Act)
 - i. Enumerate the various pioneer industries and products, on the pioneer list
 - ii. State the procedure for applying and obtaining pioneer status and how pioneer certificate can be amended
 - iii. Explain the provision relating to retrospective operations and the date of production certification
 - iv. Outline the conditions relating to Qualifying capital expenditure for a pioneer company
 - v. Outline the circumstances for cancellation, information and publication of pioneer certificate
 - vi. Explain the Tax relief period and the conditions for extension of the period by the National council of ministers
 - vii. What are the tax incentives available to pioneer companies
 - viii. With practical illustration, explain the application of the commencement and cessation provision to pre and post pioneer businesses, together with the treatment of losses and capital allowance of pioneer period
 - ix. Outline the various restrictions applicable to pioneer companies

B. TAX AUDIT AND INVESTIGATION-

- (a) Distinguish between tax audit and investigation
- (b) Describe the different types of tax audit exercise
- (c) Explain the power of the tax authority to require an audit
- (d) Outline the Tax audit procedures, covering
 - i. Pre-audit
 - ii. Field audit
 - iii. Post audit
- (e) Describe tax audit reconciliation and assessment procedure
- (f) Describe the basic elements of a valid objection and appeal, covering:

- i. Time limit for objection and appeal
 - ii. Content of a notice of objection and appeal
 - iii. Amendment of Assessment and refusal to amend
 - iv. Appeal procedures and process: Tax Appeal Tribunal, Federal High Court etc
- (g) Analyse the main triggers of tax Investigation and state the procedures involved
 - (h) Outline the provisions backing the power to distrain for non-payment
 - (i) Explain Ethical issues – implication of confidentiality, conflict of interest and disclosure of information on tax practice
 - (j) Advise on Interpretation of tax laws using decided cases
 - (k) Explain and illustrate the nature of communication with Clients, Tax authorities and other stakeholders
 - (l) Outline the procedure for the presentation of cases before a Tax Appeal Tribunal

Transfer Pricing

- (a) Introduction to transfer pricing
 - i. Define of transfer pricing by reference to the OECD, UN, PATA guidelines
 - ii. Outlined the use of transfer pricing by multinationals and justify the introduction of transfer pricing regulations by developing countries.
- (b) Describe the provisions of the Nigerian Transfer Pricing Regulations, covering:
 - i. Purpose, objectives and commencement date
 - ii. Outline the Scope of the Nigerian TP regulations
 - iii. Define connected taxable persons
 - iv. Explain the recommended transfer pricing methods (Traditional, transactional and any other method)
 - v. Explain the provisions relating to Advance pricing agreement
 - vi. Explain and illustrate Functional analysis
 - vii. Outline and explain the basic comparability factors in the process of TP benchmarking
 - viii. Outline the basic documentation requirements for transfer pricing benchmarking

4. PETROLEUM PROFITS TAX (PPT)

30%

- (a) Give a general overview of the Oil and Gas Industry in Nigeria, covering activities in the upstream, midstream, downstream, gas utilization and Oil service sectors
- (b) Outline the basic roles of the Regulatory agencies in the oil and gas sectors, such as the NNPC, NAPPIMS, DPR, CBN, FIRS

- (c) Compare and contrast the Fiscal/Operating Arrangement/regimes in the Upstream sector, with emphasis on the following:
 - i. Joint Venture
 - ii. Production Sharing Contract
 - iii. Risk Service Arrangement
 - iv. Oil and Gas Free Trade Zones
 - v. Marginal Field Operators
- (d) With respect to Petroleum Profit Tax, explain the basis of assessment and what constitute Accounting period for tax purposes.
- (e) Ascertain the basic sources of income accruing to petroleum companies and compute the adjusted profit, assessable profit, chargeable profit and the petroleum profit tax
- (f) Outline the expenses allowable and those not allowed as a deduction in computing adjusted profit
- (g) Explain the treatment of Losses for petroleum companies
- (h) Identify and describe qualifying capital expenditure for capital allowance purpose and compute capital allowance claimable by petroleum companies
- (i) Compute PPT under JV, PSC, Marginal Filed Operators, Companies within the first five years
- (j) Explain and compute tax based on the incentives available to companies that signed PSC agreement with the Federal government of Nigeria
- (k) Describe the basic tax regime applicable to sole risk operators and marginal field operators
- (l) Outline the offences and penalties applicable to petroleum companies
- (m) Describe the registration requirements and returns fling for petroleum companies (Estimated tax returns and final returns).

C5. CASE STUDY SYLLABUS

1.0 The Approach

The case study approach is based on a vision of a newly qualified ICAN member as:

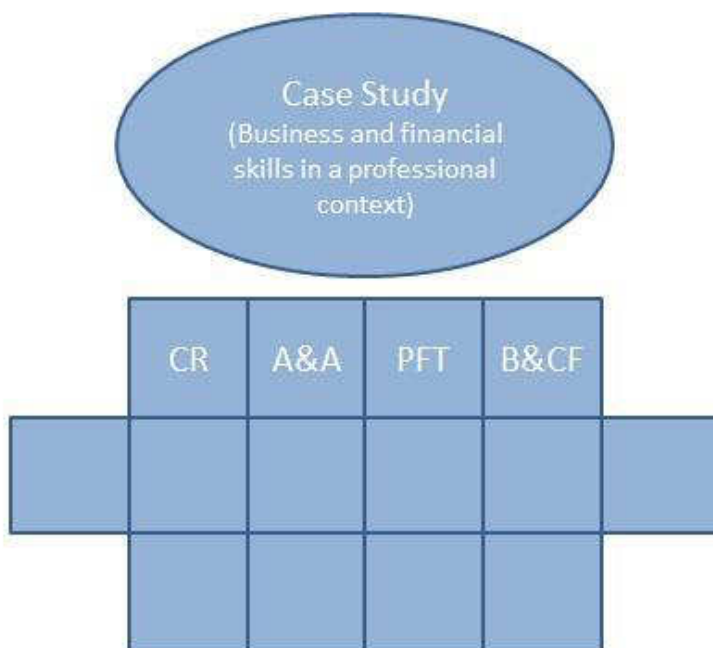
- A rounded business professional capable of contributing real value in business management;

- A professional accountant with the core values that enable them to act in the public interest as well as the interest of his employer and or client,
- Someone possessing the competences that include sound knowledge and higher value technical skills expected of finance professional,

The proposed case study is an integrated approach to subject matter bringing together and synthesising streams of knowledge and skills into an assessment approach. This approach embraces competences that are not generally tested in individual exam papers; and

The case study will present students with more information than in a conventional exam question and in an unstructured way that requires a process of familiarisation, analysis and evaluation. It also requires events and issues to be put into context in such a way that judgement would be made and communicated to a third party or more senior member of staff.

1.1



The above diagram is indicative of how the case study draws upon a range of knowledge and skills across the whole balance of exam papers. However, the case study is non-technical and focuses on

business and financial skills in a professional context. It avoids repetition of assessment of previously assessed knowledge and skills

Students will be required to apply underpinning business and accounting knowledge and skills in the process of creating an output.

2. The Competences

The competences that will be assessed under the proposal includes:

- Demonstrate understanding of a scenario
- Demonstrate understanding of data
- Demonstrate understanding of information
- Make sense of data as information
- Select and use a tool appropriately
- Identify and state opportunities, risks, problems and issues
- Explain them
- Identify that there are options
- Identify and state the options
- Explain the options
- Evaluate the options
- Compare the choice of options
- Demonstrate understanding of drivers of choice
- Assess the risks of using given data, information and tools
- Explain risks of using given data, information and tools
- Make reasoned and reasonable inferences
- Show professional scepticism
- Demonstrate ethical awareness and ethics
 - a. Business
 - b. Professional

- Know when to and how to constructively challenge
- Move to and state conclusions
- Make appropriate qualifications and reservations
- Devise and state appropriate recommendations
- Create a required deliverable
- Draft a defined report with two requirements

These competences are in the context of the ICAN syllabus advanced level skills and assessment drivers that are applied in those exam papers of:

- a) Professional analysis, application and evaluation skills

- b) Assessed by professionally challenging scenarios asking for development of professional advice.

3. The Tools

The tools are the basic underlying process elements of knowledge and skills that students will apply in the case study examination to support the content of the report they produce as an output.

- (i) Tool to analyse a basic set of financial statements consisting of statement of comprehensive income, statement of financial position, cash flow statement and supporting notes
- (ii) Tool that can be used with management information such as budgets and forecasts
- (iii) Strategic tools such as PESTEL, Five Force analysis or SWOT analysis
- (iv) Financial engineering assessment tools
- (v) Business valuation tools

4. Detailed Syllabus

The case study assesses the capability of a student who has completed all other ICAN examination papers to understand issues in a relatively unstructured scenario enabling the production of a professional report that informs based on the use of financial and business knowledge and skills acquires in earlier examination modules.

It requires the use of underpinning tools that support both financial and business analysis. The case study does not repeat the assessment of technical knowledge and skills previously examined.

It will consist of a single scenario, which students will receive on the day of the examination. No advance information is provided. The scenario is a complete and highly realistic scenario based on a private, public or charitable sector entity or entities in a current business environment that is stated and explained. The scenario will not exceed 15 pages.

4.1 The Scenario is followed by two requirements

- (i) A traditional question asking students to comment on from a particular perspective issues they have identified from an analysis and evaluation of the single scenario; and
- (ii) The writing of a report but with a maximum of two requirements from a client or employer based on the single

scenario. The client requirements will be based on a plan given by the client:

- a) A report without an executive summary
- b) Report content based on two requirements
- c) Limited appendices

The ICAN case study syllabus includes the competences mentioned above.

The assessment will be evidence based on the content of the script submitted by the student in an examination that lasts for 3.0 hours.

The first requirement assesses the capability of the student to evidence his understanding of specified issues in the scenario in an answer that is largely written but that may include the presentation of some financial or non-financial information. The second requirement assesses the capability of the student to produce a professional report dealing with two specific requirements based on a combination of financial and business analysis of the information in the scenario.

The report produced may include appendices to evidence analysis undertaken but will not require an executive summary.

4.2 The syllabus includes the following tools:

- I. Those to analyse a basic set of financial statements consisting of statement of comprehensive income, statement of financial position, cash flow statement and supporting notes;
- I. Those that can be used with management information such as budgets and forecasts;
- II. Strategic tools such as PESTEL, Five Force analysis or SWOT analysis;
- III. Financial engineering assessment tools; and,
- IV. Business valuation tools.

5. Ethics Components

Ethics is a component of this case study. It will be assessed in a contextual and broad way using case study exams. Ethics will be about 10% to 15% of the content.

However, students will not be asked about ethics directly they will have to recognise and include ethical matters and concerns in their output as part of the case study.

Ethical issues may relate to their own or their employers position and may be within the client they are advising. They may include not only professional issues but also matters of how business is conducted, social impact, environmental impact and sustainability.

Ethics may be seen in the context of regulations, regulatory oversight, professional duties, public interest and reputation

6. Scenario and Requirements

The scenario and requirements will be in the context of a business advisory situation that includes few if any issues relating to disclosure, reporting, assurance or tax. It may require or embrace the following:

- Informed business judgment
- Managerial judgment
- Professional scepticism
- Professional ethics
- Business ethics
- Risk assessment
- Due diligence
- Corporate Social Responsibility
- Governance
- Social issues
- Efficiency, economy and effectiveness
- Stakeholder and shareholder balances
- Globalisation issues

6.1 The tasks that students perform may include financial analysis, financial data analysis tasks on financial and operational data and financial statements, including:

- Setting a price for a product
- Valuing a business
- Analysing costs
- Break-even analysis
- Cash flow analysis
- Setting key performance indicators (KPI)
- Sensitivity analysis
- Strategic analysis
- Efficiency, Economy and effectiveness analysis

The case study requirements are relatively open and there is no single solution or model answer that students are required to achieve