



Pakistan Institute of
Public Finance
Accountants

Syllabus Scheme 2020

Career Plan & Syllabus

	S. No	Subjects	Hours
LEVEL – 1 & 2 There will be six subjects. Question paper will be of two hours, each containing 50 MCQs (Computer Based Examinations). Common in Corporate & Public Sector Syllabus	1	Quantitative Methods	70
	2	Basic Accounting	70
	3	Business English & Behavioral Studies	70
	4	Business Economics	60
	5	Business Laws	60
	6	Cost Accounting	70
LEVEL – 3 There will be six subjects. Three hours question paper will be set comprising of short form questions 40%, long form questions 30%, scenario based questions 30%.	7	Financial Accounting	60
	8	Taxation	66
	9	Business Communication & Report Writing	70
	10	Management Strategy	60
LEVEL – 4 There will be four subjects. Three hours question paper will be set comprising of short form questions 30%, long form questions 30% and scenario based 40%	11	Financial Reporting	70
	12	Management Accounting	70
	13	Audit, Assurance & Ethics	66
	14	Business Organization	60

Note: The students will be required to produce certificate of computer competency practical training (CCPT) from existing PIPFA approved CCPT Centres, AATI Regional Campuses, ICAP RAETs, ICMA Pakistan Regional Campuses or W4/3 category universities, However, those students who do not have any additional qualification in IT from above mentioned institutes/universities or there is no PIPFA arrangements for the training of CCPT can appear in PIPFA Challenge Exam and get CCPT Certificate on qualifying the CCPT Challenge Exam.

Level – 1

- 1 Quantitative Methods**
- 2 Basic Accounting**
- 3 Business English and Behavioral Studies**

LEVEL 1

QUANTITATIVE METHODS

Objective

To develop the ability to apply quantitative methods and statistics to business problems.

Learning Outcomes

On the successful completion of this paper candidates will be able to:

1	Understand basic mathematical tools that would be used in financial analysis at the next levels
2	Apply financial mathematics to solve problems related to financial management
3	Use calculus to solve maximization and minimization problems
4	Solve problems involving linear programming by the use of graphical methods
5	Understand different methods of collecting and presenting statistical data
6	Compute and analysis measures of central tendency and measures of dispersion
7	Understand the concept of index numbers and their practical applications
8	Using regression and correlation analysis to study historic trends and predicting changes independent variable on the basis of its relationship with independent variable
9	Compute probability involving discreet as well as continuous data
10	Making decisions using sampling techniques involved in hypothesis testing, confidence interval estimation and determination of probability

SPECIFICATION GRID

S. No.	Syllabus Contents Area	Weightage %
A	Business Mathematics	
1	Basic Mathematics	10 - 15
2	Mathematics of Finance	15 - 20
3	Calculus and Linear Programming	15 - 20
B	Statistical Data analysis for Decision making	
4	Statistical Concepts	10 - 15
5	Correlation & Regression Analysis	10 - 15
6	Probability and probability distribution	10 - 15
7	Sampling and decision making	10 - 15
	Total	100

Syllabus Ref		Contents	Level	Learning Outcome
A		BUSINESS MATHEMATICS		
1		Basic Mathematics		
	1	Exponential and logarithmic functions	2	<p>LO1.1.1: Demonstrate adequate knowledge of laws of logarithm</p> <p>LO1.1.2: Make use of logarithms in solving business problems</p> <p>LO1.1.3: Perform calculations involving exponential and logarithmic functions</p> <p>LO1.1.4: Analyze the behaviour of business problems involving exponential and logarithmic functions.</p>
	2	Equation of straight line	2	<p>LO1.2.1: Demonstrate adequate understanding of various forms of the equation of a straight line.</p> <p>LO1.2.2: Identify business situations where the equation of a straight line could be used</p> <p>LO1.2.3: Use the equation of a straight line in relevant business problems.</p>
	3	Simultaneous linear equations and their application	2	<p>LO1.3.1: Demonstrate an understanding of linear inequalities</p> <p>LO1.3.2: Demonstrate the graphical presentation of linear inequalities.</p>
	4	Solving Quadratic Equation	2	LO1.4.1: Demonstrate adequate command of solving simple equations, including two variable simultaneous equations and quadratic equations.
	5	Factorization of Equation (Square of sum of two expressions, Square of difference of two expressions, Difference between two squares completion of squares)	2	<p>LO1.5.1: Perform multiplication and division operations on linear and quadratic equations</p> <p>LO1.5.2: Solve quadratic equations by factoring and by completing the square method.</p>
	6	Co-ordinate System (Understanding of slope, intercept, slope intercept form of equation and preparation of graph of linear equations)	2	LO1.6.1: Demonstrate understanding of the coordinate system and be able to prepare graphs of linear equations.
	7	Arithmetic and Geometric progression and their application.	2	<p>LO1.7.1: Identify situations where data is in arithmetic progression</p> <p>LO1.7.2: Use arithmetic progression in business problems to calculate monthly installments, first installment, total amount paid and total time required for settlement of a loan etc</p>

Syllabus Ref	Contents	Level	Learning Outcome
2	Mathematics of Finance		
a	Simple and Compound Interest	2	LO2.1.1: Calculate interest value using simple interest.
b	Annual, periodic and effective interest rates	2	LO2.2.1: Calculate interest value using compound interest.
c	Time value of money	2	LO2.3.1: To understand investment return with credit terms and inflation
d	Present Value and Discounting	2	LO2.4.1: Calculate the present value of a future cash sum using both a formula and tables LO2.4.2: Calculate the net present value (NPV) of a project LO2.4.3: Use NPVs to choose between mutually exclusive projects.
e	Future Values	2	LO2.5.1: Calculate future values using both simple and compound interest.
f	Net Present Value	2	LO2.6.1: Calculate the present value of an annuity using both a formula and tables.
i	Annuities and Perpetuities	2	LO2.7.1: Calculate the present value of an annuity using both a formula and tables.
j	Internal rate of return (including the use of interpolation)	2	LO2.8.1: Explain with examples the use of the internal rate of return of a project.
3A	Calculus		
a	Rules for finding derivatives (Sum, difference, product and quotient rule)	2	LO3A.1.1: Demonstrate an adequate understanding of rules of differentiation.
b	Marginal Revenue, Cost and Profit functions	2	LO3A.2.1: Make use of differentiation techniques in determining marginal functions LO3A.2.2: Calculate revenue, cost and profit of a marginal unit using differentiation techniques.
c	Maximization and minimizing problems and the use of second order derivatives	2	LO3A.3.1: Demonstrate the application of second order derivatives in calculating maxima, minima and the point of inflexion.
3B	Linear Programming		
a	Linear inequalities	2	LO3B.1.1: Analyze the solution of a linear programming problem and identify alternative and optimum solutions, if any exist.
c	Converting simple situations into linear inequalities	2	
d	Graphical solution to linear programming problems	2	LO3B.2.1: Demonstrate adequate expertise in transforming a business problem into a system of linear programming.
e	Feasible region (bounded as well as unbounded), redundant constraints, no feasible solution, alternative optimum solution	2	LO3B.3.1: Identify constraints and cost minimization or profit maximization functions LO3B.3.2: Identify the redundant constraint LO3B.3.3: Use the Corner Point Theorem LO3B.3.4: Prepare a graphical solution of a linear programming problem LO3B.3.5: Analyze a graphical solution and identify whether it has a bounded or an unbounded feasible region or no feasible solution at all.

Syllabus Ref	Contents	Level	Learning Outcome
B	STATISTICAL DATA ANALYSIS FOR DECISION MAKING		
4	Statistical Concepts		
a	Collection and tabulation of data	2	LO4.1.1: Classify different types of data LO4.1.2: Perform data collection through various methods
b	Bar charts, pie charts, histograms, frequency polygons, ogives, stem and leaf display	2	LO4.2.1: Present data using a simple bar chart, a multiple bar chart and a component bar chart LO4.2.2: Construct pie charts, histograms, frequency polygons, ogives, stem and leaf display and box and whisker plots LO4.2.3: Analyze graphical representations of data.
c	Measures of central tendencies (Arithmetic/geometric/harmonic means, median, mode)	2	LO4.3.1: Calculate various measures of central tendency such as mode, median, arithmetic, geometric and harmonic means LO4.3.2: Analyze the advantages and disadvantages of various central tendency measures
d	Measures of dispersion (standard deviation, variance)	2	LO4.4.1: Identify the characteristics and measures of dispersion LO4.4.2: Use measures of dispersion, such as standard deviation or variance, to ascertain the degree of variation or variability in a distribution.
e	Index numbers, weighted index numbers (Laspeyre, Paasche and Fisher price indices), purchasing power and deflation of income	2	LO4.5.1: Define the index number and its types LO4.5.2: Use different formulae/methods to calculate various types of index number LO4.5.3: Analyze the uses and limitations of index numbers. For example, use index numbers to deflate or inflate a series and explain the result.
5	Correlation & Regression Analysis		
a	Scatter diagram	2	LO5.1.1: Demonstrate an understanding of scatter diagrams, including their construction, uses and limitations
b	Linear regression lines by method of least squares	2	LO5.2.1: Demonstrate an understanding of the basic concept of regression lines and how they are used LO5.2.2: Use least squares linear regression to construct a regression line (line of best fit) LO5.2.3: Analyze regression lines LO5.2.4: Use a regression line to calculate a forecast of the value of a dependent variable where the value of an independent variable is given.
c	Co-efficient of correlation and determination	2	LO5.3.1: Calculate and analyze coefficients of correlation and determination.

Syllabus Ref	Contents	Level	Learning Outcome
d	Rank correlation	2	LO5.4.1: Define rank correlation LO5.4.2: Calculate the rank correlation coefficient between two sets of data and explain the value.
e	Interpretation	2	LO5.5.1: Demonstrate an understanding of the basic concept of correlation coefficient analysis.
6	Probability and Probability Distribution		
a	Permutations and Combinations	2	LO6.1.1: Use counting techniques, like the mn counting rule and factorials for calculating, for example, a total number of outcomes LO6.1.2: Use permutations and combination to calculate the total number of possible selections from a set of data.
b	Probability	2	LO6.2.1: Understand the definition of probability and other basic terms as well as their application.
c	Addition law for mutually exclusive and not mutually exclusive events	2	LO6.3.1: Use the addition rule while calculating probabilities LO6.3.2: Identify the difference between mutually exclusive and non- mutually exclusive events.
d	Multiplicative laws for dependent and independent events	2	LO6.4.1: Identify the difference between dependent and independent events LO6.4.2: The use of multiplication rule while calculating conditional probabilities.
e	Probability Distributions (Binomial, Hyper-geometric and Normal)	2	LO6.5.1: Account for the assumptions that underlie the Binomial distribution LO6.5.2: Demonstrate the use of Binomial distribution to calculate probabilities.
7	Sampling and Decision Making		
a	Population and sample	2	LO7.1.1: Calculate a sample size for an interval estimate of a population mean LO7.1.2: Calculate a sample size for an interval estimate of a population proportion.
b	Random Sampling	2	LO7.2.1: Understand the terms, population and sample LO7.2.2: Explain methods for selecting a simple random sample.
c	Sampling with and without replacement	2	LO7.3.1: Define and construct a sampling distribution of the sample means LO7.3.2: Calculate the mean and standard deviation of a sampling distribution of sampling means.
d	Sampling Distribution and Sampling Error of mean	2	LO7.4.1: Calculate standard error of mean.

Syllabus Ref		Contents	Level	Learning Outcome
	e	Hypothesis testing (population mean, population proportion, difference between population means and difference between two population proportions)	2	<p>LO7.5.1: Demonstrate the use of hypothesis testing, significance testing and testing a hypothesis</p> <p>LO7.5.2: Perform hypothesis test of population means based on small and large samples</p> <p>LO7.5.3: Perform hypothesis tests of the difference between two population means based on small and large samples</p> <p>LO7.5.4: Perform hypothesis tests of the difference between two population proportions</p> <p>LO7.5.5: Select appropriate distributions i.e., z or t for constructing a confidence interval for a population mean.</p>
	f	Estimation (Confidence intervals for population mean, proportion and variance and difference between population mean, proportion and variance.	2	<p>LO7.6.1: Construct the confidence interval for population means and difference of means</p> <p>LO7.6.2: Construct the confidence interval for population means and difference of proportion and variance.</p>
	i	Chi-Square distribution (test of independence and test of goodness of fit)		

LEVEL 1

BASIC ACCOUNTING

To enable candidates to equip themselves with the fundamental concepts of accounts needed as a foundation for higher studies of accounting.

Learning	Outcome
On the successful completion of this paper candidates will be able to:	
1	Understand how businesses are organized and the different types of business transactions.
2	Identify financial transactions and make journal entries.
3	Understand the formats of special journals and record entries therein.
4	Prepare journal ledger accounts and trial balance.
5	Make adjustments prior to preparation of final accounts.
6	Prepare bank reconciliation statements, reconcile control accounts with subsidiary ledger and Make related correcting entries in general and subsidiary ledgers.
7	Prepare financial statements of a sole trader
8	Prepare accounts from incomplete records

SPECIFICATION GRID

S. No.	Syllabus Contents Area	Weightage %
1	Introduction to Accounting	8 - 12
2	Book Keeping	35 - 45
3	Preparation of Financial Statements of a sole trader	20 - 30
4	Preparation of Accounts from Incomplete Records	20 - 30
	Total	100

Syllabus Ref	Contents	Level	Learning Outcome
1	Introduction to Accounting		
(a)	Business Entities and Business Transaction	1	LO1.1.1: Explain the characteristics of a business LO1.1.2: Classify transactions that fall under the definition of business transactions.
(b)	Forms of business organizations (sole proprietorship, partnership and limited liability companies)	1	LO1.2.1: Describe the key features of sole proprietorship, partnership and limited company LO1.2.2: Differentiate amongst the features of sole proprietorship, partnership and limited company
(c)	Fundamental accounting concepts (Accrual, going concern, true and fair view, consistency, prudence, substance over form, materiality, completeness)	1	LO1.3.1: Explain the difference between book-keeping and accounting LO1.3.2: Understand and apply the main accounting concepts, namely, accrual, consistency, and completeness LO1.3.3: Demonstrate familiarity with the concepts of true and fair view, materiality, prudence, going concern and substance over form.

Syllabus Ref	Contents	Level	Learning Outcome
	(d) Financial Statements (Quantitative Characteristics of Financial Statements, Objective, Components, Assumptions of Preparing Financial Statements & Users)	1	<p>LO1.4.1: List the components of a set of financial statements</p> <p>LO1.4.2: Explain the characteristics and purpose of the statement of financial position and the statement of comprehensive income</p> <p>LO1.4.3: Describe the basic presentation layout of statement of financial position and statement of comprehensive income</p> <p>LO1.4.4: Identify users of financial information and describe how the information is useful to them.</p>
2	Book Keeping		
	(a) Elements of financial statements (Assets, Liabilities, Equity, Income, Expense)	1	<p>LO2.1.1: Define and identify examples of assets, liabilities, equity, income and expenses</p> <p>LO2.1.2: Apply the underlying concepts of assets, liabilities, income and expenses.</p>
	(b) Double entry system and rules for debit and credit	2	<p>LO2.2.1: Understand and apply, the accounting equation (Assets = Liabilities + Equity)</p> <p>LO2.2.2: Identify financial and nonfinancial transactions in a well- defined scenario</p> <p>LO2.2.3: Understand and apply the concept of double entry accounting</p>
	(c) General Journal	2	LO2.3.1: Understand the use of business documents as source of information
	(d) Cash Book	2	<p>LO2.4.1: Understand the use and format of the cash book and its types</p> <p>LO2.4.2: Record their respective entries</p>
	(e) Sales Journal and Sales Ledger	2	LO2.5.1: Describe the basic contents of the sales day book, sales ledger,
	(f) Purchase Journal and Purchase Ledger	2	LO2.6.1: Customer/debtor's ledger, purchase day book, purchase journal and purchase ledger/creditors ledger
	(g) General Ledger	2	LO2.7.1: Describe the main features of the general ledger
	(h) General Ledger Control Accounts and their reconciliation with subsidiary ledgers	2	<p>LO2.8.1: Post entries in the general ledger</p> <p>LO2.8.2: Balance the ledger accounts as required, make transfers to the final accounts</p>
	(i) Bank Reconciliation Statement	2	<p>LO2.9.1: Understand the need for a bank reconciliation</p> <p>LO2.9.2: Identify the main reasons for differences between the cash book and bank statements</p> <p>LO2.9.3: Prepare a bank reconciliation statement in the circumstances of simple and well explained transactions</p> <p>LO2.9.4: Correct cash book errors and post journal entries after identifying the same in bank reconciliation statement.</p>

Syllabus Ref	Contents	Level	Learning Outcome
3	Preparation of Financial Statements of a sole trader		
(a)	Unadjusted trial balance	2	<p>LO3.1.1: Understand the purpose of the trial balance</p> <p>LO3.1.2: Understand and demonstrate mapping between general ledger balances and the trial balance</p> <p>LO3.1.3: Identify the limitations of a trial balance.</p>
(b)	Adjustments <ul style="list-style-type: none"> • Depreciation on fixed assets and methods of depreciation (Straight Line, Diminishing Balance, Sum of Years' digits, Number of Units produced) • Allowance for bad debts and write offs • Closing inventory • Prepayments and accruals • Correction of errors including those relating to bank reconciliations and other control account reconciliations 	2	<p>LO3.2.1: Explain the nature of depreciation expense and accumulated depreciation</p> <p>LO3.2.2: Calculate depreciation expense using straight line, diminution balance, sum-of-digits and number of units produced methods</p> <p>LO3.2.3: To understand that the Closing stock is the amount of inventory that a business still has on hand at the end of a reporting period</p> <p>LO3.2.4: Understand the journal entry of closing inventory and appreciating the impact of increase and decrease of closing inventory on reported profit or loss of entity</p> <p>LO3.2.5: Post journal entries to record depreciation expense</p> <p>LO3.2.6: Understand the disposal of fixed assets and gain/(loss) on disposal</p> <p>LO3.2.7: Post journal entry of disposal and gain or loss on disposal</p> <p>LO3.2.8: Estimate allowance for bad debts based on a given policy.</p> <p>LO3.2.9: Post journal entry to record bad debt expense</p> <p>LO3.2.10: Compute and record write-off and understand its impact on allowance of bed debts</p> <p>LO3.2.11: Understand the matching concept that applies to prepayments and accruals</p> <p>LO3.2.12: Post journal entries and ladgers entries for prepayments and accruals</p> <p>LO3.2.13: Post adjusting entries to recognized revenue or expenses</p> <p>LO3.2.14: Identify the types of error which occur in a record keeping system</p> <p>LO3.2.15: Calculate and understand the impact of errors on the financial statements within a reporting period</p> <p>LO3.2.16: Prepare journal entries to correct errors that have occured within a reporting period</p>

Syllabus Ref	Contents	Level	Learning Outcome
(c)	Statement of Financial Position (Balance Sheet)	2	<p>LO3.3.1: Explain the difference between a trading and a service business</p> <p>LO3.3.2: Understand the purpose of the statement of financial position</p> <p>LO3.3.3: Prepare simple statements of financial position from information provided.</p>
(d)	Income Statement	2	<p>LO3.4.1: Understand the purpose of the statement of comprehensive income</p> <p>LO3.4.2: Prepare simple statements of comprehensive income from information provided.</p>
4	Preparation of Accounts from Incomplete Records	2	<p>LO4.1.1: Define 'incomplete record'</p> <p>LO4.1.2: Understand the cause & effect of incomplete record</p> <p>LO4.1.3: Using Comparison Method & Analysis Method</p> <p>LO4.1.4: Prepare financial report from incomplete record</p>

LEVEL 1

BUSINESS ENGLISH AND BEHAVIORAL STUDIES

Objective

To ensure that candidates can communicate effectively in the English language

Learning	Outcome
On the successful completion of this paper candidates will be able to:	
1	Have a reasonably large vocabulary and the ability to use the different words in business English
2	Construct grammatically correct sentences
3	Demonstrate good English comprehension skills
4	Understand basic concepts of organizational and human behavior in the context of a business organization

SPECIFICATION GRID

S. No.	Syllabus Contents Area	Weightage %
1	Vocabulary	15 - 20
2	English Grammar	40 - 45
3	Comprehension	10 - 15
4	Behavioral Studies	25 - 30
Total		100

Syllabus Ref	Contents	Level	Learning Outcome
1	Vocabulary		
	(a) Identify the correct meaning of the words (A list of approximately 3500 commonly used words would be provided by PIPFA)	3	LO1.1.1: Comprehend the role that language plays in different contexts LO1.1.2: Identify the correct meaning of the word and use synonyms or antonyms for the given words in a sentence LO1.1.3: Construct meaningful sentences using the prescribed word list.
	(b) Identification of Synonyms and antonyms of the above words		
	(c) Using the above words into sentences		
2	English Grammar		
	(a) Parts of speech	3	LO2.1.1: Suggest the use of verb, adverb, noun, pronoun, adjective, preposition, conjunction and interjection in constructing sentences. LO2.2.1: Understand and determine declarative, interrogative, imperative, exclamatory and optative sentences LO2.3.1: Understand and identify simple, compound, complex, multiple and conditional sentences LO2.4.1: Understand the use of simple, composed and complex sentences together LO2.5.1: Construct meaningful sentences using commonly used phrases and idioms. LO2.6.1: Understand and apply rules of tenses in sentences.
	(b) Rules for formation of sentences	3	
	(c) Declarative, interrogative, imperative exclamatory and optative sentences	3	
	(d) Simple, Compound, complex, multiple and conditional sentences	3	
	(e) Phrases and Idioms	3	
	(f) Use of Tenses	3	

Syllabus Ref	Contents	Level	Learning Outcome
(g)	Direct and indirect speech	2	LO2.7.1: Understand the difference between direct and indirect speech LO2.7.2: Use direct speech with the correct punctuations and various reporting verbs LO2.7.3: Identify the changes incidental to the transformation of direct speech to indirect speech.
(h)	Active and passive voice	3	LO2.8.1: Change the active voice to passive voice and passive voice to active voice.
(i)	Punctuation	3	LO2.9.1: Determine the appropriate use of capital letter, question mark, exclamation mark, full stop, semi-colon, comma, colon, apostrophe, quotation marks, brackets, dash, hyphen and ellipsis.
3	Comprehension		
(a)	Answering questions from given passage	3	LO3.1.1: Comprehend a brief write up and answer questions based on that write up.
4	Behavioral Studies		
(a)	Definition and approaches to behavioral studies	3	LO4.1.1: Describe the principles of scientific management stated by Fredrick Taylor LO4.1.2: Explain the key principles of management by Fayol and Urwick LO4.1.3: Explain theories of management by Weber, Rosemary Stewart and Elton Mayo LO4.1.4: Discuss the criticism on scientific management and classical approach to management
(b)	Organizational Cultures	3	LO4.2.1: Describe organisational culture using examples LO4.2.2: Discuss using examples the different levels of organisational culture LO4.2.3: Describe the types of cultures and their efficacies in the context of performances of organisations
(c)	External and general factors affecting organizational behavior	3	LO4.3.1: List the characteristics of bureaucratic organisations and discuss criticism on this form of management
(d)	Management by objectives and management by exception	3	LO4.4.1: Discuss theories of management presented by Peter Drucker, Rosabeth Moss Kanter and Mintzberg.
(e)	Individual Behavior <ul style="list-style-type: none"> • Perceptions and attitudes • Job satisfaction and stress • Self-efficacy • Motivation and motivational factors 	3	LO4.5.1: Discuss the Hawthorne experiments on human relation approach, their significance and implications LO4.5.2: Discuss critically the relevance of these experiments for management and organisational behaviour
(f)	Types and theories of leadership and skills of leaders	3	LO4.6.1: Discuss Theory X, Theory Y and Theory Z including their implications and differences.
(g)	Conflict and negotiation	3	LO4.7.1: Explain various stages of the negotiation process LO4.7.2: Describe the different skills of effective negotiators LO4.7.3: Describe the roles of mediators, arbitrators, conciliators and consultants LO4.7.4: Explain the low risk Techniques of negotiation LO4.7.5: Explain the high risk Techniques of negotiation.

Level – 2

4 Business Economics

5 Business Laws

6 Cost Accounting

LEVEL 2

BUSINESS ECONOMICS

Objective

To enable candidates to equip themselves with the fundamental concepts of economics and finance needed as foundation for higher studies of finance.

Learning	Outcome
On the successful completion of this paper, candidates will be able to:	
1	Understand the basic concepts of economics and their importance
2	Understand the basic concepts of micro-economics (Demand and supply, consumer behavior, equilibrium of firms, market competition and laws of returns)
3	Understand the basic concepts of macro-economic and their impact on economic condition of a country.
4	Understand the working of a banking system, financial markets and international trade.

SPECIFICATION GRID

S. No.	Syllabus Contents Area	Weightage %
1	Basic concepts of economics	5 - 10
2	Microeconomics	25 - 35
3	Macroeconomics	25 - 35
4	Banking system, financial markets and international Trade	25 - 35
Total		100

Syllabus Ref	Contents	Level	Learning Outcome
1	Basic Concept of economics		
	(a) Multiplicity of wants and scarcity of resources	1	LO1.1.1: Overview of the definitions of economics put forward by Adam Smith, Alfred Marshall and Lionel Robbins LO1.1.2: Describe the scope, objectives and importance of economics LO1.1.3: Describe the concept of scarcity, kinds of scarce resources, choices and wants LO1.1.4: Describe, with examples, the concept of economic problem and its implications for an economy
	(b) Factors of Production	1	LO1.2.1: Describe the concepts of goods and services and identify various types of goods namely merit goods, demerit goods, public goods, private goods, club goods and free goods LO1.2.2: Differentiate between microeconomics and macroeconomics and their scope, importance and limitations. LO1.2.3: Distinguish income from wealth.
	(c) Production Possibility Curve	1	LO1.3.1: Explain with examples the four factors of production and identify the rewards of factors of production LO1.3.2: Describe the concepts of economic agents, consumption, production and specialization, division of labor, technology and capital formation LO1.3.3: Describe the production possibility curve and its relevance to the concept of opportunity cost.

Syllabus Ref	Contents	Level	Learning Outcome
(d)	Economic systems (Market, Planned, Mixed, Islamic)	1	<p>LO1.4.1: Describe the major functions of an economic system</p> <p>LO1.4.2: Explain the salient features of planned mixed, market economy and Islamic economic system</p> <p>LO1.4.3: Provide example of a mixed economy, a planned economy and a market economy</p> <p>LO1.4.4: Describe the merits and demerits of planned, mixed and market economies</p> <p>LO1.4.5: Compare the Islamic economic system with other economic systems.</p>
2	Micro Economics		
(a)	Importance, scope and limitations of microeconomics	1	<p>LO2.1.1: Define the concept of demand, state the differences between want and demand and individual and market demand</p> <p>LO2.1.2: Define and explain law of demand with the help of schedule and graph and explain assumptions and limitations of the law</p>
(b)	Demand and Supply: <ul style="list-style-type: none"> • Law of demand • Law of supply • Equilibrium of demand and supply • Elasticity of demand and supply 	1	<p>LO2.2.1: Identify the movements along and shifts of a demand curve and explain the factors responsible</p> <p>LO2.2.2: Assess the practical importance of law of demand.</p> <p>LO2.2.3: Define the concept of market and market equilibrium</p> <p>LO2.2.4: Explain the determination of price by equilibrium of demand and supply with the help of a schedule and graph</p> <p>LO2.2.5: Explain the effect of changes in demand and supply on market equilibrium</p> <p>LO2.2.6: Discuss the determination of price of perishable and durable goods.</p> <p>LO2.2.7: Define price elasticity of demand and explain the degrees of price elasticity of demand</p> <p>LO2.2.8: Explain approaches to measure price elasticity of demand</p> <p>LO2.2.9: Explain practical importance and determinants of price elasticity of demand</p> <p>LO2.2.10: Discuss income and cross elasticity of demand and their practical importance</p> <p>LO2.2.11: Describe the concept of elasticity of supply and explain the percentage and graphical methods of measurement of elasticity of supply</p> <p>LO2.2.12: Describe the determinants of supply and elasticity</p>

Syllabus Ref	Contents	Level	Learning Outcome
(c)	Law of diminishing marginal utility and law of equi-marginal utility	2	<p>LO2.3.1: Define the term “utility”, total and marginal utility</p> <p>LO2.3.2: Explain the law of diminishing marginal utility with the help of a graph and a schedule</p> <p>LO2.3.3: Explain the assumptions, limitations and practical importance of the law of diminishing marginal utility</p> <p>LO2.3.4: Explain the law of equi- marginal utility with the help of a schedule and a graph</p> <p>LO2.3.5: Explain the limitations and practical importance of law of equi- marginal utility</p>
(d)	Consumer's equilibrium	2	LO2.4.1: Describe the meaning and characteristics of indifference curves
(e)	Indifference curves	2	LO2.5.1: Explain Budget line and consumer's equilibrium through indifference curve analysis
(f)	Perfect competition, monopoly, monopolistic competition and oligopoly	2	LO2.6.1: Understand the concept of cost of production and its further classification into implicit and explicit costs
(g)	Equilibrium of firms under various markets and in short-term and long-term	2	<p>LO2.7.1: Discuss short run curves of total cost, total fixed cost, total variable cost, average cost and marginal cost with the help of a schedule and graph.</p> <p>LO2.7.2: Derive a long run average cost curve from a short run average cost curve</p>
(h)	Law of increasing returns and law of diminishing returns	2	<p>LO2.8.1: Derive a long run marginal cost curve with the help of total cost curve.</p> <p>LO2.8.2: Explain the concept of economies and diseconomies of scale and their impact on the long run costs.</p>
(i)	Cost of revenue	2	<p>LO2.9.1: Describe the concepts of marginal revenue, total revenue and average revenue</p> <p>LO2.9.2: Define perfect competition, state its features and explain revenue curves under perfect and imperfect competition.</p>
3	Macroeconomics		
(a)	Scope and limitations of macroeconomics	2	LO3.1.1: Define national income, gross domestic product, gross national product, net national product, personal income, disposable personal income per capita, nominal and real GDP
(b)	Circular flow of income	2	LO3.2.1: Explain circular flow of national income
(c)	National Income and related concepts i.e. GDP, GNP, NNP and DI	2	LO3.3.1: Explain the product approach, income approach and expenditure approach to the measurement of national income

Syllabus Ref	Contents	Level	Learning Outcome
(d)	Three approaches to measurement of national income	2	LO3.4.1: State the difficulties usually faced in measuring National Income.
(e)	Consumption, savings and investment functions	2	LO3.5.1: Define and explain consumption, autonomous and induced consumption, average and marginal propensity to consume
(f)	Marginal propensity to consume and save	2	<p>LO3.6.1: Identify how Keynes' Psychological law of consumption explains the relationship between consumption and income with the help of average propensity to consume and marginal propensity to consume curves</p> <p>LO3.6.2: Explain the determinants of the consumption function</p> <p>LO3.6.3: Define and explain saving, average and marginal propensity to saving</p> <p>LO3.6.4: Explain the determinants of saving</p> <p>LO3.6.5: Understand the stability of consumption and saving functions in the short run and discuss the reasons thereof</p> <p>LO3.6.6: Understand the meaning of investment, induced investment and autonomous investment</p> <p>LO3.6.7: Explain the relationship of investment with marginal efficiency of capital and interest rate</p> <p>LO3.6.8: Explain classical and Keynesian approach to determine equilibrium level of output/income.</p>
(g)	Multiplier and accelerator	2	LO3.7.1: Comprehend the effect of the multiplier on the level of national income and its limitations
(h)	Phases of business cycle	2	<p>LO3.8.1: Comprehend the principle of acceleration and its assumptions</p> <p>LO3.8.2: Understand how the multiplier and accelerator interact and cause fluctuations in output.</p>
(i)	Inflation and unemployment	2	<p>LO3.9.1: Describe the concept of unemployment, full employment and types of unemployment</p> <p>LO3.9.2: Discuss the measures to reduce unemployment</p> <p>LO3.9.3: Understand concepts of inflation, deflation, stag-flation, wage spiral inflation, mild and hyperinflation</p> <p>LO3.9.4: Explain the causes of inflation and measures to overcome inflation with special reference to Pakistan</p> <p>LO3.9.5: Discuss the cost of inflation and Phillips Curve</p>
(j)	Fiscal budget	2	<p>LO3.10.1: Explain the objectives of fiscal policy and how they are achieved through fiscal budgets</p> <p>LO3.10.2: Explain the limitations of fiscal policy</p>

Syllabus Ref	Contents	Level	Learning Outcome
(k)	Principles, methods and forms of taxation	2	<p>LO3.11.1: Define direct, indirect, proportional, progressive and regressive taxation</p> <p>LO3.11.2: Understand functions of taxation, types of taxes and characteristics of good tax policy</p> <p>LO3.11.3: Explain the canons of taxation</p> <p>LO3.11.4: Explain the advantages and disadvantages of direct taxation</p> <p>LO3.11.5: Explain the advantages and disadvantages of indirect taxation.</p>
4	Banking System, financial markets and international trade		
(a)	Banking System <ul style="list-style-type: none"> • Functions and demand for money • Types of banks and financial institutions and their functions • Credit formation by banks • Role of central bank • Monetary policy and its objectives 	1	<p>LO4.1.1: Define a bank and describe its kinds</p> <p>LO4.1.2: Describe the functions of a central bank.</p> <p>LO4.1.3: Understand the meaning of monetary policy</p> <p>LO4.1.4: Understand the objectives of monetary policy and the mutual conflict of the objectives.</p>
(b)	Financial Markets <ul style="list-style-type: none"> • Money markets • Capital markets 	1	<p>LO4.2.1: Describe the main features and objectives of money markets.</p> <p>LO4.2.2: Describe the main features and objectives of capital markets</p>
(c)	International Trade <ul style="list-style-type: none"> • Balance of trade • Balance of Payments • Foreign exchange rate (fixed and floating) and its determination • Factors affecting the size of international trades 	2	<p>LO4.3.1: Distinguish between balance of trade and balance of payment</p> <p>LO4.3.2: Understand the nature of items that are accounted for the concept of balance of trade and payment</p> <p>LO4.3.3: Understand the different parts of balance of payment</p> <p>LO4.3.4: Explain the reasons of balance of payment deficit and measures to rectify it with special reference to Pakistan</p> <p>LO4.3.5: Explain the concept of J curve and inverse J curve</p> <p>LO4.3.6: Explain the concept of exchange rate, its determination and government's policy to influence it.</p>
(d)	Islamic banking system	2	LO4.4.1: To understand interest free banking system
(e)	Public & Private Finance	2	LO4.5.1: To understand the utilization of finance

LEVEL 2

BUSINESS LAW

Objective

To give students an understanding of the legal system and commercial laws; and build a knowledge base of corporate laws.

Learning	Outcome
The candidate will be able to demonstrate:	
1	Basic knowledge of the legal environment
2	Comprehension of laws governing contracts, partnership and negotiable instruments
3	Knowledge of the legal terminology of company law and the basics of company incorporation
4	Familiarity with the provisions governing the issuance of shares
5	Knowledge of the management of companies familiarity with investment by companies, financial accounts and distribution of profit
6	Knowledge of the appointment and removal of auditors and their responsibilities and duties.

SPECIFICATION GRID

S. No.	Syllabus Contents Area	Weightage %
1	Introduction to Pakistan's legal system	05 - 10
2	Contract Act 1872	15 - 20
3	Sale of Goods Act 1930	10 - 15
4	Partnership Act 1932	10 - 15
5	Companies Act, 2017	40 - 50
6	Code of Corporate Governance	10-15
Total		100

Syllabus Ref	Contents	Level	Learning Outcome
1	Introduction to Pakistan's Legal System		
	(a) Sources of law and introduction to constitution of Pakistan	1	LO1.1.1: Briefly describe sources of law in Pakistan LO1.1.2: Describe the basic structure of the constitution of the Islamic Republic of Pakistan.
	(b) Process of legislation	1	LO1.2.1: Define legislation and describe its forms LO1.2.2: Briefly describe the process of legislation as per the Constitution
	(c) Legal system in Pakistan	1	LO1.3.1: Identify and briefly explain the structure of the courts in Pakistan LO1.3.2: Explain alternate dispute resolution (ADR) and its advantages and disadvantages.
2	Contract Act 1872		
	(a) Communication, acceptance and revocation of proposals	2	LO2.1.1: Be aware of circumstances or conditions when an agreement is considered as voidable / void
	(b) Essentials of a valid contract	2	LO2.2.1: To understand the formation of valid contract
	(c) Void agreements and voidable contracts	2	LO2.3.2: Identify different types of voidable / void agreements.

Syllabus Ref	Contents	Level	Learning Outcome
(d)	Contingent contracts	2	<p>LO2.4.1: Define contingent contract</p> <p>LO2.4.2: Identify characteristics of contingent contract</p> <p>LO2.4.3: Understand rules regarding contingent contract</p> <p>LO2.4.4: Understand the difference between contingent contract and wagering agreement.</p>
(e)	Performance of contracts and related matters	2	<p>LO2.5.1: Explain performance and its types i.e. actual and attempted</p> <p>LO2.5.2: Understand rules relating to joint and reciprocal contracts and appropriation of payment</p> <p>LO2.5.3: Identify essentials of a valid tender</p> <p>LO2.5.4: Define tender and explain its types and effects. Describe the essentials of a valid tender</p> <p>LO2.5.5: Identify factors which may affect the performance of a contract</p> <p>LO2.5.6: Understand and apply rules relating to joint and reciprocal promises</p> <p>LO2.5.7: Understand the meaning of appropriation of payment and rules regarding appropriation of payment</p> <p>LO2.5.8: Explain the assignment of contracts.</p>
(f)	Certain relations resembling those created by contracts	2	<p>LO2.6.1: Explain the remedy</p> <p>LO2.6.2: Describe the various remedies available in case of breach of a contract</p>
(g)	Breach of contracts	2	<p>LO2.7.3: Understand rules relating to amount of damages</p> <p>LO2.7.4: Identify and explain different kinds of damages</p> <p>LO2.7.5: Understand the remoteness of damages.</p>
(h)	Contracts involving indemnity & guarantee, bailment & pledge and contract of agency	2	<p>LO2.8.1: Define contract of indemnity and contract of guarantee. Differentiate between contract of guarantee and indemnity</p> <p>LO2.8.2: Identify parties in a contract of indemnity and contract of guarantee</p> <p>LO2.8.3: Differentiate between contract of guarantee and indemnity</p> <p>LO2.8.4: Describe the rights of indemnity holder</p> <p>LO2.8.5: Identify the essentials of the contract of guarantee</p> <p>LO2.8.6: Understand the kinds of guarantees i.e. specific and continuing, and revocation of continuing guarantee</p> <p>LO2.8.7: Describe rights and responsibilities of surety</p> <p>LO2.8.8: Explain how surety is discharged</p> <p>LO2.8.9: Understand rules relating to indemnity, guarantee and surety.</p>

Syllabus Ref	Contents	Level	Learning Outcome
3	Sale of Goods Act 1930		
	(a) Formation of the contract of sale	2	LO3.1.1: Definition of certain terms. LO3.1.2: Meaning of contract of sale LO3.1.3: Distinctions of sale from another similar contract LO3.1.4: Formalities of Contract of sale LO3.1.5: Subject matter of contract of sale. LO3.1.6: Ascertainment of price for the contract of sale LO3.1.7: Stipulation as to time
	(b) Transfer of property and transfer of title		
	(c) Performance of the contract of sale		
	(d) Rights of unpaid seller		
	(e) Breach of contract of sale		
	(f) Sale by auction		
4	Partnership Act 1932		
	(a) Scope and definitions	2	LO4.1.1: Define the terms.
	(b) Nature of partnership	2	LO4.2.1: Understand and describe the partnership relationship, its creation and identify and explain the types of partnership and the mode of determining existence of a partnership.
	(c) Mutual rights and duties of partners	2	LO4.3.1: Determine and explain the rights and duties of partners of the firm under various circumstances LO4.3.2: Explain the provisions of the law relating to conduct of the business, property of the firm and personal profits earned by partners.
	(d) Relations of partners to third parties	2	LO4.4.1: Describe the relationship of partners with third parties LO4.4.2: Identify and explain the concepts of implied authority of the partner in relation to third parties, partner's authority in an emergency, mode of doing act to bind the firm, effect of admissions by a partner, effect of notice to acting partner, liability of a partner for acts of the firm and liability of the firm for wrongful acts of a partner or misapplication by partners, principle of holding out in given situations LO4.4.3: Identify and explain the rights and restrictions of transferee of a partner's interest LO4.4.4: Identify and explain the rights and liabilities of a minor admitted to the benefits of partnership.
5	Companies Act 2017		
	(a) Definitions, Jurisdiction of Courts and incorporation of companies (Section 1 to 51)	2	LO5.1.1: Define/describe the terms which are relevant to the areas covered in the syllabus.

Syllabus Ref	Contents	Level	Learning Outcome
(b)	Shares and debentures, rights of shareholders, charges and mortgages (Section 57 to 117)	2	<p>LO5.2.1: Provision relating to nature / number of shares and other securities</p> <p>LO5.2.2: Describe the classes and kinds of shares</p> <p>LO5.2.3: Describe with simple example the condition of fully paid shares</p> <p>LO5.2.4: State the provision relating to alteration of share capital / kinds of alterations that can be made to the share capital</p> <p>LO5.2.5: Understand the meaning of variation of shareholders' rights</p> <p>LO5.2.6: Demonstrate familiarity with the provisions relating to variation of Shareholders' rights.</p> <p>LO5.2.7: State the provision with respect to prohibition of purchase of own shares by a company.</p>
(c)	Management and Administration (Sections 142 to 204 A)	2	<p>LO5.3.1: Discuss with simple examples the provisions with regard to having a registered office, publication of name, Penalties for non- publication of names and publication of authorized and paid- up capital.</p> <p>LO5.3.2: define minimum subscription and State the conditions to be fulfilled before commencement of business by a company</p> <p>LO5.3.3: State the applicability and non-applicability of the conditions on different kinds of company.</p> <p>LO5.3.4: State the consequences of non-compliance of Section 19</p> <p>LO5.3.5: State the timing, matters and reports relating to statutory meetings</p> <p>LO5.3.6: State the timing, matters and reports relating to an annual general meeting using simple examples</p> <p>LO5.3.7: State who can call an annual general meeting</p> <p>LO5.3.8: State the timing, matters and reports relating to an extraordinary general meeting</p>
(d)	Investments, contracts and disclosure of interests (Sections 208 to 229)	2	<p>LO5.4.1: Describe the conditions applicable to a company for making investment in associated companies and undertakings.</p> <p>LO5.4.2: Discuss with simple examples as to how a company can hold its investment in names other than its own name.</p> <p>LO5.4.3: Explain the provisions/ requirements of disclosure of interest by director in contract / arrangement entered into by or on behalf of the company.</p> <p>LO5.4.4: Explain the provisions/ requirements of disclosure of interest by officers in contract / arrangement entered into by or on behalf of the company.</p> <p>LO5.4.5: Describe the provisions relating to participation of interested director in the proceedings of directors in contract /arrangement entered into by or on behalf of the company.</p>

Syllabus Ref	Contents	Level	Learning Outcome
(e)	Accounts, audit and distribution of profits (Sections 230 to 257)	2	<p>LO5.5.1: Describe the provisions relating to the books of accounts to be kept by company.</p> <p>LO5.5.2: Explain the provisions/ requirements with respect to the Financial statements</p> <p>LO5.5.3: Describe contents of directors' report and statement of compliance / duty to prepare directors' report and statement of compliance</p> <p>LO5.5.4: Describe the provisions relating to approval and authentication of financial statements</p> <p>LO5.5.5: Discuss requirements of filing of financial statements with the registrar.</p>
1	Code of Corporate Governance		
(a)	Public Sector Companies (Corporate Governance) Rules, 2013	2	<p>LO6.1.1: Discuss the requirement of the Public sector code</p> <p>LO6.1.2: Explain the compliance of code in various situations.</p>
(b)	Code of Corporate Governance for Listed Companies (Chapter II, III & V)	2	<p>LO6.2.1: Explaining the compliance to provisions of Chapters II, III and V of Corporate Governance Rules 2017</p>

5.6 Syllabu

LEVEL 2

COST ACCOUNTING

Objective

To equip candidates with techniques of cost accounting to provide a knowledge base for decision making skills.

Learning	Outcome
TOn the successful completion of this paper candidates will be able to:	
1	Understand the cost accounting concepts, the cost accounting cycle and the elements of cost and their accounting
2	Differentiate between applied and actual overheads and understand the basis of allocation of overheads
3	Comprehend the process of cost accounting under various costing systems and determine the cost of products (including joint products and by-products) and jobs the system of standard costing and compute and analyze variances

SPECIFICATION GRID

S. No.	Syllabus Contents Area	Weightage %
1	Cost accounting concepts and accounting for material labor and factory overheads	30 - 40
2	Costing Systems	40 - 50
3	Standard costing and variance analysis	15 - 25
	Total	100

Syllabus Ref	Contents	Level	Learning Outcome
1A	Cost Accounting Concepts		
(a)	Elements of cost	2	LO1.1.1: Explain the flow of cost in the production process using examples
(b)	Direct and indirect cost	2	LO1.2.1: Prepare accounting entries for the flow of cost.
(c)	Applied and actual overheads	2	LO1.3.1: Describe manufacturing overheads using examples
(d)	Fixed and variable overheads	2	LO1.4.1: Compare manufacturing, administrative and selling costs LO1.4.2: Identify manufacturing overheads from data provided LO1.4.3: Describe and distinguish between actual overhead and applied overhead
(e)	Period and product costs	2	LO1.5.1: Calculate applied overheads using data provided.

Syllabus Ref	Contents	Level	Learning Outcome
1B	Cost accounting concepts and Accounting for material, labor and factory overheads		
	(a) Material <ul style="list-style-type: none"> • Procedure for procurement and recording of material • Material costing methods • Basis of valuation (FIFO, weighted average) • Accounting for material and related costs 	2	<p>LO1.1.1: Apply inventory valuation methods (namely, FIFO, weighted average, lower of cost and net realizable value) in simple scenarios</p> <p>LO1.1.2: Comment on the suitability of inventory valuation under FIFO, weighted average, lower of cost and net realizable value</p> <p>LO1.1.3: Compare inventory valuation under FIFO, weighted average, lower of cost and net realizable value</p> <p>LO1.1.4: Calculate NRVs of inventories in a given scenario.</p>
	(b) Labor <ul style="list-style-type: none"> • Direct and indirect labor • Remuneration methods (periodic basis, hourly rate, straight piece rate, differential piece rate, incentive wage plans) • Labor related costs (Overtime, bonus, vacation pay, guaranteed wage plans and pensions) • Accounting for labor and labor related costs 	2	<p>LO1.2.1: Discuss productivity and efficiency measurement in relation to controlling labor costs</p> <p>LO1.2.2: Explain the concept of Remuneration systems, incentive wage plans and types therein.</p> <p>LO1.2.3: Record labor costs</p> <p>LO1.2.4: Apply the impact of learning curve theory on the productivity of employees.</p>
	(c) Overheads <ul style="list-style-type: none"> • Nature of factory overhead expenses • Calculation and use of predetermined factory overhead rate • Accounting for actual and applied overheads and under/over absorbed overheads • Allocation, apportionment and absorption of service departments overheads • Analysis of under/over absorption in terms of expenditure and volume variance • Administrative and selling overheads 	2	<p>LO1.3.1: Describe manufacturing overheads using examples</p> <p>LO1.3.2: Compare manufacturing, administrative and selling costs</p> <p>LO1.3.3: Identify manufacturing overheads from data provided</p> <p>LO1.3.4: Describe and distinguish between actual overhead and applied overhead</p> <p>LO1.3.5: Calculate applied overheads using data provided</p> <p>LO1.3.6: Compare actual and absorbed overheads from data provided</p> <p>LO1.3.7: Analyze over or under absorption in terms of expenditure and volume variances</p> <p>LO1.3.8: Account for over or under- absorbed overheads.</p> <p>LO1.3.9: Allocate costs to production and service departments using information provided</p> <p>LO1.3.10: Allocate costs of service departments to production department using data and information provided.</p>
2	Costing Systems		
	(a) Job costing and batch costing	2	<p>LO2.1.1: Describe job order costing</p> <p>LO2.1.2: Calculate the cost of a job and inventories by application of job order costing</p> <p>LO2.1.3: Prepare accounting entries under the job order costing system.</p>

Syllabus Ref	Contents	Level	Learning Outcome
(b)	Process costing	2	<p>LO2.2.1: Describe the process costing including the treatment of normal / abnormal loss / gain</p> <p>LO2.2.2: Calculate cost of product and inventories by application of process costing</p> <p>LO2.2.3: Prepare accounting entries under the process costing system.</p> <p>LO2.2.4: Account for the cost of rework</p> <p>LO2.2.5: Account for the units added in subsequent departments</p> <p>LO2.2.6: Account for the N.R.V of by- product in process account.</p>
(c)	Costing of joint and by-products	2	<p>LO2.3.1: Describe joint and by products using examples</p> <p>LO2.3.2: Allocate joint production costs using sales value, physical units, average units and weighted average methods</p> <p>LO2.3.3: Account for by-products using recognition of gross revenue, recognition of net revenue and replacement cost approaches.</p>
(d)	Marginal and absorption costing	2	<p>LO2.4.1: Explain the concept of marginal costing and apply on given data</p> <p>LO2.4.2: Explain how marginal costing helps managerial decisions using examples.</p>
3	Standard Costing and Variance Analysis		
(a)	Introduction to standard costing	2	LO3.1.1: Explain standard costing using examples
(b)	Establishing standard costs	2	LO3.2.1: Perform standard setting for material, labor and factory overhead.
(c)	Calculation of variances <ul style="list-style-type: none"> • Material variances (Price, Usage, Mix and Yield variance) • Labor variances (Rate and efficiency variances) • Overheads (Three and four variance methods) 	2	LO3.3.1: Calculate, analyze and interpret various variances relating to material, labor and factory overhead.
(d)	Analysis and interpretation of variances	2	LO3.4.1: Variance is the difference between an actual and estimated cost Variance analysis is one step in the process of identifying and explaining the reasons for different outcomes

Level – 3

7 Financial Accounting

8 Taxation

**9 Business Communication
& Report Writing**

10 Management Strategy

LEVEL 3

FINANCIAL ACCOUNTING

Objective

To provide candidates with an understanding of the fundamentals of accounting theory and basic financial accounting with particular reference to international pronouncements.

Learning	Outcome
On the successful completion of this paper candidates will be able to:	
1	Prepare financial statements on the format prescribed by IAS 1
2	Determine the cost of inventory and Property, Plant and Equipment in accordance with IAS and their subsequent recording in the financial statements. Provisions, Contingent Liabilities and Contingent Assets.
3	Understand and apply the rules related to revenue recognition & Understand the concepts involved in Event Occurring after balance sheet, related party transactions and Provisions.
4	Prepare partnership accounts and prepare entries in respect of admission/retirement of partners and amalgamation/dissolution of partnership.

SPECIFICATION GRID

S. No.	Syllabus Contents Area	Weightage %
1	Preparation of Financial Statements of limited liability companies in accordance with IFRS and Companies Act, 2017	25 - 35
2	Accounting for Inventories and Property, Plant and Equipment and Provisions, Contingent Liabilities and Contingent Assets (IAS 37)	20 - 35
3	Revenue Recognition (IFRS 15) & Event Occurring after balance sheet (IAS 10), Related party transactions (*IAS 24)	20 - 30
4	Partnership Accounts	20 - 25
Total		100

Syllabus Ref	Contents	Level	Learning Outcome
1	Preparation of Financial Statements in accordance with IFRS		
	(a) Statement of financial position under IAS 1	1	LO1.1.1: Prepare simple statement of financial position in accordance with the guidance in IAS 1 from data and information provided.
	(b) Statement of comprehensive income (IAS 1)	1	LO1.2.1: Prepare simple statement of comprehensive income in accordance with the guidance in IAS 1 from data and information provided.
	(c) Statement of cash flows (IAS 7) using direct and indirect method	1	LO1.3.1: Demonstrate thorough understanding of cash and cash equivalents, operating, investing and financing activities LO1.3.2: Calculate changes in working capital to be included in the operating activities LO1.3.3: Compute items which are presented on the statement of cash flows
	(d) Analysis of Cash flow and working Capital-New Addition Ration Analysis, Trend Analysis and Cash Flow Analysis-New Addition	1	LO1.4.1: Prepare a statement of cash flows of a limited company in accordance with IAS 7 using the indirect method.

Syllabus Ref	Contents	Level	Learning Outcome
2A	Accounting for Inventories (IAS 2)		
(a)	Periodic and perpetual inventory systems and the difference between the accounting entries under the two systems.	2	<p>LO2.1.1: Understand and analyze the difference between perpetual and periodic inventory systems</p> <p>LO2.1.2: Understand and analyze the difference between FIFO and weighted average cost formulas and use them to estimate the cost of inventory</p> <p>LO2.1.3: Account for the application of cost formulas (FIFO/ weighted average cost) on perpetual and periodic inventory system</p> <p>LO2.1.4: Identify the impact of inventory valuation methods on profit.</p>
(b)	Cost of inventories including cost of conversion	2	<p>LO2.2.1: Calculate cost of inventory in accordance with IAS-2 using data provided including cost of purchase, cost of conversions, and other costs</p> <p>LO2.2.2: Identify relevant and irrelevant cost from data provided.</p>
(c)	Net Realizable Value	2	<p>LO2.3.1: Describe Net Realizable Value (NRV)</p> <p>LO2.3.2: Explain the situation when the cost of inventories may not be recoverable</p> <p>LO2.3.3: Demonstrate the steps in measuring inventory at lower of cost or NRV</p> <p>LO2.3.4: Post journal entries for adjustments in carrying value (excluding reversal of write downs)</p>
(d)	Presentation of inventories and the related disclosures as per IAS 2	2	<p>LO2.4.1: Understand the disclosure requirements and prepare extracts of necessary disclosures (excluding pledged inventories and reversal of write downs).</p>
2B	Accounting for Property, Plant and Equipment (IAS 16)		
(a)	Initial measurement of property, plant and equipment (components of cost, determining cost in case of exchange of assets)	2	<p>LO2.1.1: Calculate the cost on initial recognition of property, plant and equipment in accordance with IAS-16 including different elements of cost and the measurement of cost</p> <p>LO2.1.2: Analyze subsequent expenditure that may be capitalized, distinguishing between capital and revenue items.</p>
(b)	Revaluation of property, plant and equipment (basic principles, accounting entries for revaluation, impairment and depreciation after revaluation)	2	<p>LO2.2.1: Present property, plant and equipment after recognition under cost model and revaluation model using data and information provided.</p>
(c)	Disposal (de-recognition) of fixed assets (under cost as well as revaluation method)	2	<p>LO2.3.1: Account for de-recognition of property, plant and equipment recognized earlier under cost and revaluation methods</p>
(d)	Disclosure requirements as per IAS 16	2	<p>LO2.4.1: Post journal entries to account for de-recognition using data provided.</p>

Syllabus Ref	Contents	Level	Learning Outcome
2C	Provisions,Contingent Liabilities and Contingent Assets (IAS 37)		<p>LO2.1.1: Identify the requirement of a provision, contingent liability and contingent asset.</p> <p>LO2.1.2: Determine when to recognize a provision and how to measure it.</p> <p>LO2.1.3: Determine when and how a contingent item should be disclosed.</p>
3 A	Revenue from contracts with customers (IFRS-15) Revenue recognition principles;	2	<p>LO3.1.1: Identify the fundamental concepts related to revenue recognition and measurement.</p> <p>LO3.1.2: Apply the five-step revenue recognition process.</p> <p>LO3.1.3: Apply the five-step process to major revenue recognition issues.</p> <p>LO3.1.4: Identify presentation and disclosure requirements regarding revenue</p>
	Excluding		
(a)	Variable Consideration		
(b)	Contingent Consideration		
(c)	Rebate & Discounts		
(d)	Loyalty Program & Schemes		
	(e) Cost associated with obtaining and completing contracts		
3 B	Event Occurring after balance sheet, (IAS 10)		<p>LO3.2.1 Identify the types of events</p> <p>LO3.2.2 Explain the accounting treatment and disclosure requirements</p>
3 C	related party transactions (IAS 24)		<p>LO3.3.1 Defining related parties and related parties transactions</p> <p>LO3.3.2 Explaining the disclosure required under IAS 24</p>
4	Partnership Accounts		<p>LO6.4.1: Make journal entries in the case of the dissolution of a partnership to record:</p> <ul style="list-style-type: none"> • transfer and sale of assets and liabilities to third parties and partners • payment of realization expenses closing of the realization account; and settlement of partners' capital account.
(a)	Partners' capital and current accounts	2	
(b)	Allocation of profit and loss and preparation of income statement and balance sheet	2	
(c)	Admission and retirement (death) of partners	2	
(d)	Computation and recording of goodwill	2	
(e)	Amalgamation and dissolution	2	

LEVEL 3 TAXATION

Objective

To provide basic knowledge in the understanding of objectives of taxation and core areas of Income Tax Ordinance, 2001, Income Tax Rules 2002 and Sales Tax Act 1990 and Sales Tax Rules.

Learning	Outcome
On the successful completion of this paper candidates will be able to:	
1	Understand the system of taxation in Pakistan
2	Understand the ethical principles related to taxation
3	Understand and apply provisions of Income Tax Ordinance, 2001
4	Understand and apply provisions of Sales Tax Act, 1990
5	Understand the main (Chapter I and II) provisions of Federal Excise Act, 2005

SPECIFICATION GRID

S. No.	Syllabus Contents Area	Weightage %
1	System of taxation in Pakistan and constitutional provisions	8 - 12
2	Income tax	50 - 60
3	Sales tax	25 - 30
4	Federal Excise	5 - 10
5	Ethics	5-10
Total		100

Syllabus Ref	Contents	Level	Learning Outcome
1	System of Taxation in Pakistan and Constitutional Provisions		
	(a) Different kinds of taxes and their scope	1	LO1.1.1: Comprehend the main objectives of taxation LO1.1.2: Justify taxation as means of development. LO1.1.3: Understand the implication of direct and indirect taxation. LO1.1.4: Comprehend different kinds of taxes and their scope including the powers of provinces to legislate on taxes. LO1.1.5: State the history of taxation in the sub-continent.
	(b) Provincial financial procedures (Article 78 to 88 of the Constitution)	1	LO1.2.1: Demonstrate familiarity with the Federal Consolidated Fund and Public Account LO1.2.2: Demonstrate familiarity with the expenditure that can be charged upon Federal Consolidated Fund.
	(c) Provincial financial procedures (Article 118 to 127 of the Constitution)	2	LO1.3.1: Demonstrate familiarity with the Provincial Consolidated Fund and Public Account LO1.3.2: Demonstrate familiarity with the expenditure that can be charged upon Provincial Consolidated Fund.
	(d) Distribution of revenue between Federation and the Provinces (Article 160 to 165A of the Constitution)	2	LO1.4.1: Demonstrate familiarity with the formation of National Finance Commission and its main function LO1.4.2: Demonstrate familiarity with the taxes that can be raised under the authority of Parliament LO1.4.3: Demonstrate familiarity with the powers of provincial assemblies in respect of professional tax LO1.4.4: Demonstrate familiarity with the exemption available to federal and provincial governments LO1.4.5: Demonstrate familiarity with the tax on corporation owned by federal and provincial government.

Syllabus Ref	Contents	Level	Learning Outcome
(e)	Federal Legislative List relating to revenue generating measures (related part of Fourth Schedule to the Constitution of Pakistan)		LO1.5.1: Enlist the revenue collection as mentioned at S.No.43 to 53 in Fourth Schedule attached to the Constitution
2	Income Tax		
(a)	Chapter I (Definitions as per Section 2 sub-section 1, 5, 5A, 6, 7, 9, 10, 11, 12, 11A, 14, 15, 16, 17, 18, 19, 19A, 19B, 20, 21, 22, 23, 23A, 24, 25, 26, 27, 29, 29A, 29C, 30, 30A, 30AA, 32, 33, 36, 37, 38, 40, 41, 42, 43, 44, 44A, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 58, 59, 59A, 61, 61A, 62, 63, 64, 66, 68, 69, 70, 70A, 73)	2	LO2.1.1: Describe the definitions given in section 2 sub-section 1, 5, 5A, 6, 7, 9, 10, 11A, 15, 19, 19C, 20, 21, 22, 23, 23A, 28A, 29, 29A, 29C, 33, 35C, 36, 37, 38, 44A, 46, 47, 49, 50, 51, 52, 53, 59A, 66, 68, 75 LO2.1.2: Describe other definitions covered under relevant sections LO2.1.3: Understand and apply definitions on simple scenarios.
(b)	Chapter II - Charge of tax (Excluding section 7)	2	LO2.2.1: Explain the chargeability of tax with simple examples.
(c)	Chapter III - Tax on taxable income (Excluding sections 14, 23B, 29A, 30, 31, 42, 43 and 49)	2	LO2.3.1: Understand the concepts of income, total income & taxable income with heads of income LO2.3.2: Understand and compute taxable income and tax thereon relating to salary, income from property, income from business, capital gain, dividend, profit on debt, ground rent, rent from sub-lease, income from provision of amenities, utilities or any other services connected with rented building and consideration for vacating the possession of building LO2.3.3: Explain different exemption and tax concession for income including 2nd schedule exemptions LO2.3.4: Comprehend and apply the concepts of set-off and carry forward of losses for different heads of income LO2.3.5: Understand and compute deductible allowances and tax credits available to tax payers.
(d)	Chapter IV - Common Rules	2	LO2.4.1: Understand and apply on simple scenarios provisions for income of joint owner, apportionment of deductions, fair market value and receipt of income LO2.4.2: Explain using simple examples the provisions relating to tax year LO2.4.3: Explain with simple examples the provisions relating to disposal and acquisition of assets, cost and consideration received.
(e)	Chapter V - Provisions governing persons (Excluding sections 90, 95, 96, 97, 97A, 98, 98A, 98C)	2	LO2.5.1: Describe with simple examples the meaning of persons, resident and non-resident persons and associates. LO2.5.2: Describe with simple examples the principles of taxation of individuals.
(f)	Chapter VI - Special Industries (Section 100B and 100C)	2	LO2.5.3: Describe with simple examples the principles of taxation of association of persons and computational aspects of AoP and its members.
(g)	Chapter VII - International (Excluding sections 106 and 107)	2	LO2.6.1: Understand the applicability of tax on foreign salary income, credit against foreign tax and treatment of foreign loss of a resident in simple scenarios.
(h)	Chapter VIII - Anti-avoidance (Section 111)	2	LO2.7.1: To understand the concept of anti avoidance in relation with Income Tax Law

Syllabus Ref	Contents	Level	Learning Outcome
(i)	Chapter IX - Minimum Tax	2	LO2.8.1: Understand the provisions relating to Minimum Tax LO2.8.2: Calculate Minimum Tax according to the provisions.
(j)	Chapter X - Procedure (Excluding sections 134A, 138, 138A, 141, 143, 144, 146, 146A, 146B, 156A, 156B, 165A, 170, 178, 179, 180, 181A, 181B, 181C, 182, 183, 194, 197, 198, 199, 200, 201, 202, 203, 203A, 204, 205A, 206, 206A)		LO2.9.1: Identify persons required to furnish a return of income LO2.9.2: Identify persons not required to furnish a return of income LO2.9.3: Identify persons required to furnish wealth statements LO2.9.4: List the contents of wealth statement LO2.9.5: Understand the procedure for extension in time for furnishing the returns and other documents. LO2.9.6: Understand the meaning of assessment by Commissioner and power of Commissioner to conduct audit. LO2.9.7: List the appellate bodies LO2.9.8: Explain using simple examples the circumstances when appeal to the Commissioner (Appeals) is made and the pre-conditions applicable
(k)	Chapter XII - Transitional Advance Tax Provisions (Section 231A, 231AA, 233, 236A, 236C, 236I, 236K, 236M and 236N)	2	LO2.10.1: Apply rules relevant to learning outcomes specified against each topic on well explained scenarios. LO2.11.1: To understand conceptual problem solving skills in context of income tax
(l)	Income tax rules related to above mentioned provisions of the Income Tax Ordinance, 2001	2	
(m)	First, Second and Third Schedules to the Income Tax Ordinance, 2001	2	LO2.12.1: Apply clauses relevant to learning outcomes specified against each topic on well explained scenario.
Note: Rates of tax on individuals and association of persons as per First schedule would be provided in the examination paper, wherever relevant)			
3	Sales Tax Act 1990		
(a)	Chapter I - Preliminary (Definitions as per Section 2 sub-sections 3, 3A, 5AA, 5AB, 6A, 6B, 7, 8, 9, 11, 11A, 12, 14, 16, 17, 19, 20, 21, 22A, 23, 25, 27, 28, 29A, 31, 33, 33A, 35, 37, 39, 40, 41, 43, 44, 46, 47, 48)	1	LO3.1.1: Describe the definitions given in section 2 sub-section 1, 3, 5AA, 5AB, 9, 11, 14, 16, 17, 19, 20, 21, 22A, 25, 27, 28, 29A, 33, 33A, 35, 39, 40, 41, 43, 44, 46, 46A, 47, 48 LO3.1.2: Describe other definitions covered under relevant sections LO3.1.3: Apply definitions on simple scenarios.
(b)	Chapter II - Scope and payment of tax (Excluding section 7)	2	LO3.2.1: Understand the application of sales tax law on taxable supplies including zero rated and exempt supplies LO3.2.2: State the determination, time and manner of sales tax liability and payment using simple examples LO3.2.3: Understand how excess input tax will be carried forward and refunded.

Syllabus Ref	Contents	Level	Learning Outcome
(c)	Chapter III - Registration	2	LO3.3.1: State the requirement and procedure of registration and de- registration.
(d)	Chapter IV - Book keeping and invoicing requirements	1	LO3.4.1: List the record to be kept by a registered person LO3.4.2: State the requirements of tax invoice LO3.4.3: Explain the retention period of record using simple examples.
(e)	Chapter V - Returns	2	LO3.5.1: Understand the various types of returns required to be filed by registered and un-registered persons.
(f)	Chapter VII - Offences and penalties (Sections 33 and 34)	2	LO3.6.1: Concept of offences & penalties
(g)	Chapter VIII - Appeals (Sections 45B, 46 and 47)	2	LO3.7.1: Way & methods of appeals
(h)	Chapter X - Miscellaneous (Sections 58, 66, 67 and 73)	2	LO3.8.1: Explain the concept other issues related to sales tax
(i)	Sales Tax Rules, 2006 (Chapters I, II, III and IV)	2	LO3.9.1: Explain the requirement and procedure of registration, compulsory registration and deregistration using simple examples. LO3.9.2: Explain the requirement and procedure of filing of return using simple examples. LO3.9.3: Explain the requirement and procedure of issuing debit and credit notes using simple examples LO3.9.4: State the procedure for destruction of goods. LO3.9.5: Explain the requirement and procedure of apportionment of input tax using simple examples.
4 Federal Excise Act 2005			
(a)	Chapter I - Preliminary (Definitions as per Section 2 sub-sections 7, 8, 8a, 8b, 8c, 8d, 9, 9a, 10, 11, 12a, 13, 15, 16, 16a, 18, 20, 21, 21a, 22, 23, 23a, 25 and 26)		LO4.1.1: Enlist the revenue collection as mentioned at S. No. 43 to 53 in Fourth Schedule attached to the Constitution
(b)	Chapter II - Levy, collection and payment of duty		
5 Ethics			
(a)	Ethics for tax legislation		LO5.1.1: Apply critical thinking and problem-solving skills related to taxation of individuals, flow through entities, and corporations.
(b)	Ethics for taxpayers and tax practitioners		LO5.2.1: Recognize potential opportunities for tax savings and tax planning in relation with Tax
(c)	Ethics for tax implementing authorities		LO5.3.1: Demonstrate knowledge of the components of the basic income tax formula for individuals and business entities, understand when income and deductions are recognized, and describe when they are excluded (or disallowed) or deferred. LO5.3.2: Apply analytical reasoning tools to assess how taxes affect economic decisions for individuals and business entities. LO5.3.3: Understand tax-related statutory, regulatory, and professional ethics obligations and identify tax-based community service opportunities.

LEVEL 3

BUSINESS COMMUNICATION & REPORT WRITING

Object

To ensure that candidates can communicate effectively while performing their professional responsibilities

Learning	Outcome
On the successful completion of this paper candidates will be able to:	
1	Comprehend the concepts and principles of business communication
2	Apply knowledge and demonstrate of interpersonal and intra-personal skills
3	Understand and write various business messages-formats
4	Understand different types of electronic communication, its key features, benefits and Limitations
5	Write precis and Reports

SPECIFICATION GRID

S. No.	Syllabus Contents Area	Weightage %
1	Fundamentals of Business Communication	20 – 25
2	Inter-personal and intra-personal skills	20 – 25
3	Written Business Messages	20 – 25
4	Electronic Communication	10 – 15
5	Precis and Report Writing	15 – 25
	Total	100

Syllabus Ref	Contents	Level	Learning Outcome
1	Fundamentals of Business Communication		
(a)	Definition, Goals, Patterns and Channels of Business Communication	3	LO1.1.1: Define business communication LO1.1.2: Describe with simple examples the goals, patterns (formal and informal), and channels of business communication.
(b)	Information needs, Components of Communication Process, Methods, Barriers	3	LO1.2.1: Define “communication process” LO1.2.2: Explain and illustrate the components of the communication process, namely: context, sender, message, medium, recipient and feedback LO1.2.3: Identify the information needs of the organization and its sources, levels and usefulness for effective communication LO1.2.4: Explain with simple examples the barriers to effective communication
(c)	Formal and Informal Communication and different Types of Communication networks	3	LO1.3.1: Describe different methods of communication and also state its appropriate medium LO1.3.2: Classify different types of communication networks and describe their influence on the communication process within an organization.

Syllabus Ref	Contents	Level	Learning Outcome
	(d) Seven C's of effective communication	3	LO1.4.1: Describe with simple examples the seven C's of effective communication LO1.4.2: Identify weaknesses in a given simple communication process applying the Seven C's
2 Inter-Personal and Intrapersonal Skills			
	(a) Axioms and purposes of inter-personal communication	3	LO2.1.1: Identify the axioms of interpersonal communication
	(b) Forms of communication • Oral communication • Written communication	3	LO2.1.2: Specify the purposes of interpersonal communication LO2.1.3: Determine the role of stereotypes in the communication process
	(c) Listening skills	3	LO2.1.4: Identify the role of communication conflict in intercultural relationships LO2.1.5: Explain the key ways to improve interpersonal skills LO2.2.6: Identify the elements and traits of ethics in interpersonal communication.
	(d) Non-verbal communication	3	LO2.2.1: Identify forms of non-verbal communication including facial expressions, posture, gestures, eye contact, voice and touch LO2.2.2: Explain the uses of non-verbal messages.
	(e) Ethics in inter-personal communication	3	LO2.3.1: Develop an awareness and appreciation of the importance of intra- personal communication
	(f) Basic aspects of intra-personal (self-concept, perception and expectation)	3	LO2.3.2: Identify the basic aspects of intra-personal communication including self-concept, perception and expectation.
3 Written Business Messages			
	(a) Objectives and key elements of written business messages	3	LO3.1.1: Classify the types of business letters and circulars LO3.1.2: Determine the qualities of an effective letter and circular LO3.1.3: Describe the different components of business letter LO3.1.4: Explain the salient features of persuasive letters and circulars
	(b) Letters (c) Memos (d) Circulars (e) Agendas (e) Minutes	3	

Syllabus Ref	Contents	Level	Learning Outcome
4	Electronic Communication		
(a)	Key Terms Introduction	2	LO4.1.1: Explain the main features and practical use of social networking forums, blogs, podcasting, discussion boards, messaging, video conferencing and email LO4.1.2: Discuss the benefits and limitations of various types of electronic communication.
(b)	E-mail	2	
(c)	Video Conferencing		
(d)	Websites	2	LO4.1.3: State meaning, types and services of web hosting.
5	Precis and Report Writing		
(a)	Precis Writing	3	LO5.1.1: State the meaning and purpose of a short business report LO5.1.2: Describe the contents of a business report LO5.1.3: Differentiate between different types of reports LO5.1.4: Explain the contents of different types of reports.
(b)	Introduction to Business reports (objectives, common types, contents, process)	3	
(c)	Short Business Report	3	
(d)	Long report	3	

LEVEL 3 MANAGEMENT STRATEGY

Learning	Outcome
On the successful completion of this paper candidates will be able to:	
1	Understand the Covers information technology internal control, general controls, application controls and batch processing input controls. / Implies specific types of control activities, information technology is not a “stand-alone” control consideration. ...Application controls include controls over input, processing, output, master file, interface, and data management system controls.
2	Provide a basic understanding of data analysis using statistics and to use computational tools on problems of applied nature is the objective and Explaining business Analysis is crucial to understand impediments to process efficiency and proffering effective solutions.
3	Explaining the principles of organization structure and design; environment, strategy, technology, organizational culture, change, organizational and inter-organizational relationships, decision making hierarchies, bureaucracy, power, and politics and Understanding the role of business in society, the primary functions within a business, and peak, contraction, and trough), and describe their impact on business operations.
4	Learn two research studies, the article identifies, compares and contrasts the various factors influencing learning in work, at organizational, functional and individual levels, and then focuses upon factors influencing computer-based learning and to Implement An Outcome-Based Learning Framework. Examining Organization's Vision And Mission. Where does the journey start? Translating Vision Into Goals. Cascading Goals. Identifying The Appropriate Learning Solution. Aligning The Learning Objectives. To Performance Objectives
5	Understanding the issues surrounding organizational behavior. Management issues such as diversity, attitudes and job satisfaction, personality, and values in organizational behavior are explored, as well as the underlining theories behind issues such as emotions and motivation.

SPECIFICATION GRID

S. No.	Syllabus Contents Area	Weightage %
1	Adequacy of General Information Technology Controls and Application Controls (Auditing Systems Acquisition / Development Process)	15-20
2	Data Analysis & Business Analysis on the Basis of I.T.	20-25
3	Design and Structuring of Organization & Types of Functions and Operations of Organization	20-25
4	Factors influencing Strategy of an Organization & Implementation of the Strategy	20-25
5	Theories of the Organization Behavior	10-20
	Total	100

Syllabus Ref	Contents	Level	Learning Outcome
1	Adequacy of General Information Technology Controls and Application Controls (Auditing Systems Acquisition / Development Process)		
	(a) Risk of inadequate system development life cycle (SDLC) and review of development	3	LO1.1.1: Learning the right developmental strategies, procedures and systems. LO1.1.2: The process of expanding the outcomes while focusing on the concept of outsourcing. Acquiring, reviewing and evaluating the outsourcing process.
	(b) Review of acquisition process for outsourcing	3	LO1.1.3: Understanding the steps required in maintenance such as corrective, adaptive, perfective and preventive.
	(c) Information system maintenance practices	3	LO1.1.4: Understanding the controlled identification and implementation of required changes within a computer system.
	(d) Change management	3	LO1.1.5: Learning the protocols of Library management with the amalgamation technology and techniques.
	(e) Library control software, review of the practice of project management tools and techniques	3	
2	Data Analysis		
	(a) What is a data-base?	3	LO2.1.1: Explaining the need of data feeding into computer; accessibility of data in various ways.
	(b) Data modelling;	3	LO2.2.1: Understanding the data objects and their relationships to other data objects.
	(c) Types of databases;	3	LO2.3.1: Understanding the common types of databases.
	(d) The roles of a data-base management system	3	LO2.4.1: Explaining the functions of database management system and ways of utilizing the DBMS in productive manner.
	(e) Data as a resource;	3	LO2.5.1: Learning the development and execution of architectures, policies, practices and procedures that properly manage the full data lifecycle needs of an enterprise
	(f) Importance of models.	3	LO2.6.1: Understanding that models play a crucial role in the creation and use of these any system and help to increase their comprehensibility.
	(g) Information systems categories;	3	LO2.7.1: Learning different categories of Information systems such as; Data Processing Systems (DPS), Management Information Systems (MIS), Decision Support Systems (DSS) & Executive Information System (EIS)
	(h) Office automation systems	3	LO2.8.1: Explaining Office automation systems, which are configurations of networked computer hardware / software. A variety OAS are now applied to business and communication functions that used to be performed manually or in multiple locations of a company.
	(i) Communication systems	3	
	(j) Decision support systems	3	
	(k) Enterprise systems	3	
	(l) Limitations	3	
	(m) Uses of information systems categories	3	

Syllabus Ref	Contents	Level	Learning Outcome
			<p>LO2.9.1: Explaining the system that describes communication with many hardware and software tools. Knowing collection of individual communications networks, transmission systems and data terminal equipment etc.</p> <p>LO2.10.1: Learning about decision support system; an information system that supports business or organizational decision-making activities.</p> <p>LO2.11.1: Defining the system as the large complex computing systems which handle large volumes of data and enable organizations to integrate and coordinate their business processes.</p> <p>LO2.12.1: Dealing with lack of resources, systems and complex situations.</p> <p>LO2.13.1: Usage of the group of interrelated components that work to carry out input, processing, storage, output and control actions in order to convert data into information.</p>
3	Business Analysis on the Basis of I.T		
	(a) Identify the characteristics of big data and the different types and sources of data	3	LO3.1.1: Identification and categorization of data, statistically
	(b) Specify uses of data analytics by organizations	3	LO3.2.1: Understanding data analytics which includes data mining, which involves sorting through large data sets to identify trends, patterns and relationships.
	(c) Specify different types of cyber risk and attack and the steps organizations can take to improve cyber security	3	LO3.3.1: Identifying the cyber risks that an organization faces, adapting to look at what controls to put in place, and what technologies will be needed for prevention. How improvement in technology can be deployed to prevent or reduce the impact of cyber risks, depending on risk assessment and what is deemed an acceptable level of risk.
	(d) Specify the features and uses of cloud accounting, the internet of things and distributed ledger technology.	3	LO3.4.1: Emphasizing and learning the modern era of hosting from remote servers and their working procedures under the umbrella of accounting.
4	Design and Structuring of Organization		
	(a) Business Values (Virtues)	3	LO4.1.1: Setting and determining the health and well-being of the business in the long run.
	(b) Vision versus Mission	3	LO4.2.1: Understanding the statement that defines company's objectives and its relation with the statement that describes the desired future position of the company.

Syllabus Ref	Contents	Level	Learning Outcome
	(c) The importance of a clear Mission	3	LO4.3.1: Understanding the value of unambiguous Mission statement, and advantages of defining clear road map and the right direction.
	(d) Components of a Vision and Mission Statements	3	LO4.4.1: Learning the core components of vision and mission statements; making them easy to define and effective.
	(e) Characteristics of a Vision and Mission Statements	3	LO4.5.1: Understanding the features of vision and mission statements. To design general, descriptive and clear statement at the same time.
	(f) Developing Vision and Mission Statements	3	LO4.6.1: Designing the precise and message-conveying vision and mission statements.
5	Types of Functions and Operations of Organization <i>A typical business operation of organization may consist of the following main departments or functions:</i>		
	(a) Production	3	LO5.1.1: Producing refers to manufacturing or creating a product or good from raw materials.
	(b) Research and Development (often abbreviated to R&D) Purchasing	3	LO5.2.1: Focusing on the work directed towards the innovation, introduction, and improvement of products and processes.
	(c) Purchasing	3	LO5.3.1: Learning that the purchasing activities are needed to ensure that needed items are obtained in a timely manner and at a reasonable cost.
	(d) Marketing (including the selling function)	3	LO5.4.1: Understanding marketing function that involves determining client. needs and wants and responding through planning.
	(e) Human Resource Management	3	LO5.5.1: Learning the practice of recruiting, hiring, deploying and managing an organization's employees
	(f) Accounting and Finance	3	LO5.6.1: Explaining the Accounting and Finance are the field of accounting concerned with the summary, analysis and reporting of financial transactions related to a business. This involves the preparation of financial statements available for public use
6	Factors influencing Strategy of an Organization		
	(a) Generic Competitive Strategy	3	LO6.1.1: To familiarize the methodology designed to provide companies with a strategic plan to compete and gain an advantage within the marketplace.
	(b) Using the Value Chain in Competitive Strategy	3	LO6.2.1: Effectiveness that how value chains can be finely tuned to gain a competitive edge

Syllabus Ref	Contents	Level	Learning Outcome
	(c) Pricing and Competition	3	LO6.3.1: To learn the process of selecting strategic price points to best take advantage of a product or service-based market relative to competition.
7	Implementation of the Strategy		
	(a) Acquisition and Strategic Alliances	3	LO7.1.1: Learning Importance of alliances, join-ventures and mutual-goals achievement.
	(b) Aligning Organizational Structure and Strategy	3	LO7.2.1: To understand the balance between organizational strategy while achieving organization's mission and objectives
	(c) Managing Change	3	LO7.3.1: Learning the change management; its process, tools and techniques to manage the people side of change to achieve the required business outcome
	(d) Cost reduction Methodologies	3	LO7.4.1: Cost reduction strategies are effective principles or methods for increasing operations efficiency. Cost reduction strategies can reduce operations costs while increasing productivity, allowing for strategic reallocation of resources.
	(e) Evaluating Functional Strategies	3	LO7.5.1: Explaining the functional areas of a business that are commonly assigned function-specific goals are human resources, production, research and development, marketing, and perhaps information technology.
	(f) Business Plans	3	LO7.6.1: Learning the process of planning and the differences between strategic and business planning. Understanding financial, competitors and feasibility aspects.
8	Theories of the Organization Behavior		
	(a) Requirements of Future Organizations Features Characterizing Future Organization: <ul style="list-style-type: none"> • Perceived need for change • Cooperation at the top • Both Leadership and Management • Proactive work to become future leaders • Ability to implement changes • Excellent Short-Term Results • Structure Facilitates Change 	3	LO8.1.1: To understand and identify trends in the development of OB LO8.1.2: To explain these trends in the light of global economies and geo-political developments LO8.1.3: Use a variety of perspectives to understand the forms and functions of modern organizations
	(b) Levels and perspectives in Organizational theory In this a distinction is made between these three perspectives through three primary areas of focus for a given organizational theory: <ul style="list-style-type: none"> • Focus on Performance of tasks • Focus on Motivation • Focus on adjustments to the surrounding environment 		LO8.2.1: Understanding the concept of organizational theory, i.e., it is an assembly of people working together to achieve common objectives through a division of labor. The responsibilities of an organization to provide means of using individual strengths within a group to achieve more than can be accomplished by the aggregate efforts of group members working individually.

Syllabus Ref	Contents	Level	Learning Outcome
(c)	<p>The Connecting need in organizational theory This is structured according to three areas of focus and sub-divided according to the three analysis levels:</p> <ul style="list-style-type: none"> • Social physiological Analysis Level • Structural analysis Level • Organizational Learning Level 	3	<p>LO8.3.1: Explain how employees are motivated according to Maslow's hierarchy of needs.</p> <p>LO8.3.2: Explain how the ERG (existence, relatedness, growth) theory addresses the limitations of Maslow's hierarchy.</p> <p>LO8.3.3: Describing the differences among factors contributing to employee motivation and how these differ from factors contributing to dissatisfaction.</p> <p>LO8.3.4: Learning new skills or ideas, and their productivity at work may increase as they gain expertise.</p>

Level – 4

11 Financial Reporting

12 Management Accounting

13 Audit, Assurance & Ethics

14 Business Organization

LEVEL 4

FINANCIAL REPORTING

Objective

To broaden the knowledge base of basic accounting acquired in earlier modules with emphasis on International Financial Reporting Standards.

Learning	Outcome
On the successful completion of this paper candidates will be able to:	
1	Prepare financial statements including consolidated financial statements with one subsidiary Containing disclosures in accordance with IFRS and Companies Act, 2017.
2	Accounting for transactions related to tangible and intangible assets and leases. Understand the concept of capitalization of borrowing costs.
3	Accounting for transactions related to taxation. Comprehend rules of revenue recognition. Understand the reporting of basic earning per share and segment reporting.
4	Understand the implications of changes in accounting policies, estimates and Errors. Understand the accounting of investment properties and non-current assets held for disposal. Understanding the definition of financial instrument and classification, recognition, measurement and presentation of basic financial instruments (excluding all kind of derivatives).

SPECIFICATION GRID

S. No.	Syllabus Contents Area	Weightage %
1	Final account including consolidation with a single Subsidiary	20 - 30
2	Accounting for tangible and intangible assets, leases, borrowing costs and impairment of assets (IES 16, 17, 23, 36, 38)	20 - 25
3	Ethics in Financial Reporting, Accounting for taxation, Revenue from contracts with customers, Basic Earnings per share and Segment Reporting	25 - 30
4	Changes in Accounting policies and estimates and correction of errors, non-current assets held for disposal, investment properties and basic financial instruments.	20-25
	Total	100

Syllabus Ref	Contents	Level	Learning Outcome
1	Final Accounts including Consolidation with a single subsidiary		
(a)	Preparation of financial statements of limited companies under international financial reporting standards (those covered in syllabus) and Companies Act 2017.	2	<p>LO1.1.1: Identify the laws, regulations, reporting standards and other requirements applicable to statutory financial statements of a limited company</p> <p>LO1.1.2: Prepare and present the following in accordance with the disclosure requirements of IAS1, Companies Act, fourth schedule / fifth schedule</p> <ul style="list-style-type: none"> • Statement of financial position • Statement of comprehensive income • Statement of changes in equity • Notes to the financial statements <p>LO1.1.3: Prepare statement of cash flows in accordance with the requirements of IAS 7.</p>
(b)	Consolidated financial statements involving a single subsidiary and simple adjustments i.e. elimination of investment in subsidiary and recognizing goodwill/gain from bargain purchase; identification of non-controlling interest, inter-company sales and purchases and profit/loss on inventories (excluding tax impact).	1	<p>LO1.2.1: Describe the concept of a group as a single economic unit</p> <p>LO1.2.2: Define using simple examples subsidiary, parent and control</p> <p>LO1.2.3: Describe situations when control is presumed to exist</p> <p>LO1.2.4: Identify and describe the circumstances in which an entity is required to prepare and present consolidated financial statements</p> <p>LO1.2.5: Eliminate (by posting journal entries) the carrying amount of the parent's investment in subsidiary against the parent's portion of equity of subsidiary and recognize the difference between the two balances as either.</p> <ul style="list-style-type: none"> • goodwill; or • gain from bargain purchase <p>LO1.2.6: Define and describe non- controlling interest in the case of a partially owned subsidiary</p>
			<p>LO1.2.7: Identify the non-controlling interest in the following:</p> <ul style="list-style-type: none"> • net assets of a consolidated subsidiary; and • profit or loss of the consolidated subsidiary for the reporting period <p>LO1.2.8: Post adjusting entries to eliminate the effects of intergroup sale of inventory and depreciable assets.</p> <p>LO1.2.9: Prepare and present simple consolidated statements of financial position involving a single subsidiary in accordance with IFRS 10.</p> <p>LO1.2.10: Prepare and present a simple consolidated statement of comprehensive income involving a single subsidiary in accordance with IFRS 10.</p>

Syllabus Ref	Contents	Level	Learning Outcome
2	Accounting for Tangible and Intangible assets, leases, borrowing costs and impairment of assets		
(a)	Recognition, de-recognition, measurement, depreciation/ amortization and measurement after recognition of non-current assets (IAS 16 and IAS 38).	2	LO2.1.1: Explain and apply the accounting treatment of property, plant and equipment and intangible assets LO2.1.2: Formulate accounting policies in respect of property, plant and equipment and intangible assets.
(b)	Leases (IFRS 16) <ul style="list-style-type: none"> Accounting for right-of-use (ROU) of asset and lease obligations by lessee. Operating and finance lease (excluding sale and lease back transactions and dealer leasing) Preparation of amortization schedules and journal entries Preparation of extracts of financial statements showing required disclosures 	2	LOI.2.2.1 Explain accounting lease by lessees. LOI.2.2.2 Explain accounting of operating and finance lease by lessor. LOI.2.2.3 Formulate accounting policies and prepare extracts and make disclosures.
(c)	Borrowing costs (IAS 23) <ul style="list-style-type: none"> Criteria for qualifying assets Determining amount of borrowing cost to be capitalized Disclosure requirements 	2	LO2.3.1: Describe borrowing cost and qualifying assets using examples LO2.3.2: Identify and account for borrowing costs in accordance with IAS 23 LO2.3.3: Disclose borrowing costs in financial statements LO2.3.4: Formulate accounting policies in respect of borrowing cost.
(d)	Impairment of individual assets (excluding cash generating unit, goodwill and financial assets) (IAS 36) <ul style="list-style-type: none"> Costs of disposal, fair value and recoverable amount of an asset Measuring recoverable amount and value in use Recognizing an impairment loss Reversal of impairment loss recognized in prior period(s) 	2	LO2.4.1: Identify and assess the circumstances when the assets may be impaired LO2.4.2: Discuss the measurement of recoverable amount LO2.4.3: Identify a cash-generating unit and assess its recoverable amount, including its components LO2.4.4: Account for the related impairment expenses (excluding accounting for reversal of impairment).

Syllabus Ref	Contents	Level	Learning Outcome
3	Ethics in Financial Reporting, Accounting for taxation, Revenue from contracts with customers, Basic Earnings per share and Segment Reporting		
	(a) Ethics in Financial Reporting Fundamental principles (sections 100 to 150 of the Code of Ethics for Chartered Accountants) An understanding of ethics relating to preparation and reporting of financial information (Section 320 of Code of Ethics for Chartered Accountants)		LO3.1.1: Explain basic tax policy considerations underlying common tax regimes. LO3.1.2: Understand tax-related statutory, regulatory, and professional ethics obligations and identify tax-based community service opportunities
	(b) Taxation (IAS 12) <ul style="list-style-type: none"> • Current and prior period tax • Difference between temporary and permanent timing differences • Deferred tax asset, liability and charge (excluding impact of revaluation of fixed assets, business combinations and goodwill, investments in subsidiary/associated undertakings and share based payments) • Journal entries • Disclosures 	2	LO4.1.1: Define temporary differences and identify temporary differences that cause deferred tax liabilities and deferred tax assets LO4.1.2: Determine amounts to be recognized in respect of temporary differences LO4.1.3: Prepare and present deferred tax calculations using the balance sheet approach LO4.1.4: Account for the major components of tax expense/income and its relationship with accounting profit LO4.1.5: Formulate accounting policies in respect of deferred tax LO4.1.6: Apply disclosure requirements of IAS12.
	(c) Revenue from contract with customers (IFRS-15)	2	LO3.3.1: Identify the fundamental concepts related to revenue recognition and measurement. LO3.3.2: Apply the five-step revenue recognition process. LO3.3.3: Apply the five-step process to major revenue recognition issues. LO3.3.4: Identify presentation and disclosure requirements regarding revenue LO 3.3.5 Accounting for Variable consideration, non-cash consideration and accounting for contract costs.
	(d) Basics Earning per share (IAS-33)	2	LO3.4.1: Explain how to apply the criteria for determining a reportable segment
	(e) Segment reporting (IFRS 8) <ul style="list-style-type: none"> • Operating segments • Aggregation criteria • Quantitative thresholds • Disclosure requirements 	2	LO3.5.1: Understand how to prepare the disclosures required by IFRS 8 for reportable segments

Syllabus Ref	Contents	Level	Learning Outcome
4	Changes in Accounting Policies and Estimates and Correction of Errors, non-current assets held for disposal, investment properties, Basic financial instruments.		
	(a) Changes in Accounting Policies and estimates, error (IAS-8)	2	<p>LO5.1.1: Define liability, provision, contingent liability and contingent asset also describe their accounting treatment.</p> <p>LO5.1.2: Distinguish between provisions, contingent liabilities or contingent assets</p> <p>LO5.1.3: Understand and apply the recognition and de-recognition criteria for provisions</p> <p>LO5.1.4: Calculate/ measure provisions such as warranties/guarantees, restructuring, onerous contracts, environmental and similar provisions, provisions for future repairs or refurbishments</p> <p>LO5.1.5: Account for changes in provisions</p>
	(b) Non-current Assets held for Disposal (IFRS 5)	2	<p>LO5.2.1: Define accounting policies, accounting estimates and prior period errors</p> <p>LO5.2.2: Account for the effect of change in accounting estimates and policies in the financial statements</p> <p>LO5.2.3: Understand and analyse using examples, IFRS guidance on accounting policies, change in accounting policies and disclosure</p> <p>LO5.2.4: Understand and analyse using examples, IFRS guidance on accounting estimates, changes in accounting estimates and disclosure</p> <p>LO5.2.5: Understand and analyse using examples, IFRS guidance on errors, correction of errors and disclosure</p> <p>LO5.2.6: Assess and account for adjusting and non-adjusting events after the reporting period.</p> <p>LO5.2.7: Determine items that require separate disclosure, including their accounting treatment and required disclosures.</p> <p>LO5.2.8: Understand and analyze using examples, going concern issues arising after the end of the reporting period.</p>
	(c) Investment Properties (IAS 40)	2	
	(d) Basis Financial Instruments: "Classification, recognition and measurement of debt and equity instruments".	2	

LEVEL 4 MANAGEMENT ACCOUNTING

Objective

To equip candidates with techniques of management accounting to provide a knowledge base for decision making skills.

Learning	Outcome
On the successful completion of this paper candidates will be able to:	
1	Prepare budgets and forecasts and understand budgetary controls
2	Apply the cost accounting concepts and techniques in the decision-making process
3	Carry out performance analysis
4	Apply the concept of time value of money

SPECIFICATION GRID

S. No.	Syllabus Contents Area	Weightage %
1	Introduction to Management Accounting	3 - 7
2	Forecasting and Budgeting	15 - 20
3	Performance Analysis	25 - 35
4	Decision Making	30 - 40
5	Introduction to Financial Management	10 - 15
	Total	100

Syllabus Ref	Contents	Level	Learning Outcome
1	Introduction to management accounting		
	(a) Scope of management accounting	2	LO1.1.1: Explain how Management Accounting works LO1.1.2: Stakeholders of Management Accounting. LO1.1.3: Feasibility of the achievement of objective through Management Accounting LO1.1.4: Drawbacks of the Management Accounting LO1.1.5: Expectation of Stakeholders from the study of Management Accounting. LO1.1.6: Difference between Cost and Management Accounting.
	(b) Objectives and role of management accounting	2	
	(c) Limitations of management accounting	1	
2	Forecasting and Budgeting		
	(a) Purpose of budgeting and forecasting	2	LO2.1.1: Explain how budgeting process works and how it fits into overall planning and control LO2.1.2: Prepare forecasts on given data and assumptions using Qualitative and Quantitative methods including Time Series Models, Moving Averages and Linear Regression Analysis. LO2.1.3: Identify and describe different purposes of budgeting LO2.1.4: Identify and describe the various stages in the budgeting process LO2.1.5: Prepare following types of budgets: <ul style="list-style-type: none"> • fixed and flexible budgets; • sales budget; • production budget; • direct materials budget; • direct labour budget; • manufacturing overhead budget; • inventory budget; • cost of goods sold budget; • selling and administrative expenses • Master/cash budget; • zero based budgets, and • capital expenditure budgets; LO2.1.6: Discuss various approaches to Budgeting (i.e. flexible and fixed budgets, incremental budgeting, zero based budgeting, continuous (rolling) budgeting and performance budgeting LO2.1.7: Describe the human & motivational aspects of budgets.
	(b) Budget and planning process		
	(c) Revenue and production budgets		
	(d) Cash budgets		
	(e) Zero based budgeting and flexible budgets		
	(f) Budgetary controls		

Syllabus Ref	Contents	Level	Learning Outcome
3	Performance Analysis		
	(a) Cost, volume and profit analysis		LO3.1.1: Explain the break-even point using examples and margin of safety LO3.1.2: Calculate the breakeven point in quantity and amount from information provided LO3.1.3: Apply cost volume profit (CVP) analysis and explain its usefulness for management
	(b) Break-even analysis	2	
	(c) Working capital management (Cash, debtor, creditors and inventory management techniques and policies)	2	
	(d) Return on capital	2	
	(e) Divisional performance	2	
	(f) Transfer pricing	2	
	(g) Performance analysis of non-profit and public welfare organization	2	
4	Decision Making		
	(a) Cost Concepts in decision making <ul style="list-style-type: none"> • Relevant cost • Sunk cost • Opportunity cost / imputed cost • Replacement cost • Differential cost 		LO4.1.1: Describe opportunity cost Using examples. LO4.1.2: Describe relevant costs using examples LO4.1.3: Identify the costs that are relevant to a particular decision in given data. LO4.2.1: Apply marginal and relevant costing concepts to analyse make or buy options LO4.2.2: Analyse make or buy options in case of capacity constraints LO4.2.3: Discuss using examples the importance of qualitative considerations in make or buy decisions. LO4.2.4: Perform incremental cost benefit analysis for a special order. LO4.2.5: Perform incremental cost benefit analysis for further processing Costs
	(b) Pricing decisions and pricing strategies	2	
	(c) Make or buy decisions	2	
	(d) Sell or process decision	2	
	(e) Operate or shut down decisions	2	
	(f) Utilization of spare capacity	2	
	(g) Pricing for special orders	2	
5	Introduction to Financial Management		
	(a) Concept of present value and net present value	1	LO5.1.1: Explain the time value of money LO5.1.2: Identify and calculate relevant cash flows for investment projects. LO5.1.3: Calculate net present value and internal rate of return of given cash flows. LO5.1.4: Assess the usefulness of NPV and IRR models. LO5.1.5: Understand different phases
	Capital Budgeting (Capital Budget Technique) Debt vs equity financing (Source of Financing)	2	

LEVEL 4

AUDIT, ASSURANCE & ETHICS

Objective

To acquire knowledge of theory, skills, techniques of auditing and to enable the students to understand International Standards on Auditing, Assurance and Ethics.

Learning	Outcome
On the successful completion of this paper candidates will be able to:	
1	Demonstrate knowledge of general concepts governing an audit
2	Demonstrate working knowledge of simple audit procedures and the requirements of the Companies Act 2017 relating to audit report on financial statements
3	Understand the guidelines provided by International Standards on Auditing on specific matters which the auditor is generally expected to deal with in any normal audit
4	Comprehend the fundamental principles of professional ethics governing the conduct of personnel involved in audit

SPECIFICATION GRID

S. No.	Syllabus Contents Area	Weightage %
1	General concepts and principles of audit	20 - 25
2	Performance of audit and reporting	30 - 40
3	Audit evidence	25 - 30
4	Professional Accountancy	10 - 15
5	Professional Ethics	10 - 15
Total		100

Syllabus Ref	Contents	Level	Learning Outcome
1	General concepts and principles of audit		
(a)	Introduction to International Federation of Accountants	1	<p>LO1.1.1: Briefly describe the organizational overview encompassing</p> <ul style="list-style-type: none"> • History; • Vision and mission
(b)	Introduction to International Auditing and Assurance Standard Setting Body	1	<p>LO1.2.1: Briefly describe the objectives and functions of IAASB.</p>
(c)	Objectives and General Principles governing an audit (ISA 200)	2	<p>LO1.3.1: Describe the objectives of audit including concepts of accountability, stewardship, agency, independence and fair presentation</p> <p>LO1.3.2: Describe the overall objectives of the independent auditor.</p> <p>LO1.3.3: Describe the concepts of assurance and levels of assurance i.e. absolute, reasonable and limited assurance including elements of an assurance engagement, assurances provided by audit and review engagement</p> <p>LO1.3.4: Explain the requirements of an external audit, eligibility and ineligibility of auditor</p> <p>LO1.3.5: Describe the rights and duties of auditors</p> <p>LO1.3.6: Explain the nature and scope of an audit designed to enable the independent auditor to meet those objectives</p> <p>LO1.3.7: Outline the requirements establishing the general responsibilities of the independent auditor applicable in all audits including consideration of inherent limitations of an audit</p> <p>LO1.3.8: Discuss the concept of professional skepticism.</p> <p>LO1.3.9: Discuss the concept of interim and final audit</p> <p>LO1.3.10: List the audit procedures that can be performed by the external auditor at the interim and final stage of an audit</p> <p>LO1.3.11: Discuss the concept of audit of Not-for-profit organizations.</p>
(d)	Distinguish between the responsibilities of auditor and the accountant, in respect of financial statements	2	<p>LO1.4.1: Understand the responsibility of management and those charged with governance for financial reporting and related internal control on financial reporting</p>

Syllabus Ref	Contents	Level	Learning Outcome
(e)	Auditor's responsibility to consider fraud (ISA 240)	2	<p>LO1.5.1: Distinguish between the terms 'error', 'fraud' and 'misstatement'</p> <p>LO1.5.2: Compare the respective responsibilities of management and auditors for fraud</p> <p>LO1.5.3: Describe the matters to be considered and procedures to be carried out to assist the auditor in identifying, assessing and detecting the risks of material misstatement due to fraud</p> <p>LO1.5.4: Identify the fraud risk factors in the simple scenario as given in the appendix 1 of ISA 240</p> <p>LO1.5.5: Identify the circumstances that indicate the possibility of fraud in the simple scenario as given in the Appendix 3 of ISA 240.</p>
(f)	Appointment and removal of auditors (sections 252 to 260 of the Companies Act 2017)	2	<p>LO1.6.1: Explain how the first and subsequent auditors are appointed</p> <p>LO1.6.2: Explain how the first and subsequent auditors are removed</p> <p>LO1.6.3: Describe qualification and disqualification of the auditor</p> <p>LO1.6.4: Describe the powers and duties of auditors</p> <p>LO1.6.5: Describe the concept of audit of cost accounts</p> <p>LO1.6.6: Discuss the additional matters to be included in the auditor's report.</p>
(g)	Terms of audit engagements (ISA 210)	2	<p>LO1.7.1: Describe the preconditions for an audit and upon which it is necessary for the auditor and the entity's management to agree</p> <p>LO1.7.2: Respond if preconditions are not present or limit is imposed on scope of audit in well explained simple situations</p> <p>LO1.7.3: State the contents of an audit engagement letter</p> <p>LO1.7.4: Discuss the requirement of issuance of engagement letter and factors that necessitate the issuance of engagement letter in case of recurring audit</p> <p>LO1.7.5: Discuss the circumstances of acceptances of changes in terms of engagement by the auditor.</p>
2	Performance of audit and reporting		
(a)	Planning an audit (ISA 300)	2	<p>LO2.1.1: Discuss the need for planning an audit including contents of an audit plan and its relation with risk assessment</p> <p>LO2.1.2: Discuss the contents of overall audit strategy and audit plan</p> <p>LO2.1.3: State who should be involved in planning and what preliminary engagement activities are necessary</p> <p>LO2.1.4: Outline the additional considerations that should be identified while planning the initial audit.</p>

Syllabus Ref	Contents	Level	Learning Outcome
(b)	Assessment of audit risks (ISA 315 and 330)	2	<p>LO2.2.1: Discuss the risk-based approach to auditing including audit risk model</p> <p>LO2.2.2: Identify the inherent risk, control risk and detection risk in simple scenario</p> <p>LO2.2.3: Explain relationship between audit risk and its components i.e. inherent risk, control risk and detection risk</p> <p>LO2.2.4: Discuss the identification and assessment of the risks of material misstatement at both the financial statement level and assertion level, including understanding of entity, its environment, accounting and internal control systems</p> <p>LO2.2.5: Explain the elements of internal control</p> <p>LO2.2.6: Discuss the evaluation of controls and control environment and communication of deficiencies to the management</p> <p>LO2.2.7: Explain the categories of control activities (internal controls) by using simple examples including Application and General IT Controls</p> <p>LO2.2.8: Explain and identify the control weaknesses in the given scenario and suggest appropriate recommendations to remove these weaknesses</p> <p>LO2.2.9: Discuss and explain the limitations of internal control system</p>
(c)	Audit materiality (ISA 320)	2	<p>LO2.3.1: Explain the concepts of materiality and performance materiality using simple examples.</p> <p>LO2.3.2: Explain materiality level or levels for particular classes of transactions, account balances or disclosures</p> <p>LO2.3.3: Explain the relationship between audit risk and level of materiality</p>
(d)	Audit evidence (ISA 500)	2	<p>LO2.4.1: Explain, using examples, sufficient appropriate audit evidence</p> <p>LO2.4.2: Discuss the general principles assisting the auditor in assessing the relevance and reliability of audit evidence</p> <p>LO2.4.3: Discuss audit procedures to obtain audit evidence including types of audit procedures</p> <p>LO2.4.4: Discuss the course of action available to auditor in case sufficient appropriate audit evidence is not obtained</p> <p>LO2.4.5: Explain the financial statement assertions including Assertions about class of transactions, account balances and presentation and disclosure</p> <p>LO2.4.6: Explain the audit work related to Inventory</p>

Syllabus Ref		Contents	Level	Learning Outcome
	(e)	Audit sampling (ISA 530)	2	<p>LO2.5.1: Explain audit sampling, statistical sampling and sampling and non-sampling risk using simple examples</p> <p>LO2.5.2: Discuss the relationship between sampling and audit risk model</p> <p>LO2.5.3: Explain what matters are considered by auditors in respect of sample design, size and selection of items for testing using simple examples including sample selection method.</p>
	(f)	Tests of controls and Substantive procedures (ISA 330)	2	<p>LO2.6.1: Explain the nature, extent and timing of test of controls using simple examples</p> <p>LO2.6.2: Explain the concept of Computer Assisted Audit Techniques</p> <p>LO2.6.3: Explain how auditors evaluate the operating effectiveness of controls using simple examples</p> <p>LO2.6.4: Understand the financial statement assertions</p> <p>LO2.6.5: Briefly explain the advantages and dis-advantages of both test data and audit software.</p> <p>LO2.6.6: Discuss the use of computer software in substantive testing, auditing around the computer and directional testing</p> <p>LO2.6.7: Discuss the methods of obtaining audit evidence for substantive testing</p> <p>LO2.6.8: Explain the nature, extent and timing of substantive procedures for different items of financial statements.</p> <p>LO2.6.9: Explain the controls over major transaction cycles including related risks, weaknesses control objectives and designing appropriate tests of controls.</p>
	(g)	Analytical procedures (ISA 520)	2	<p>LO2.7.1: Explain the nature and purpose of substantive analytical procedures using simple examples</p> <p>LO2.8.2: State the purpose of analytical procedures performed near the end of the audit</p> <p>LO2.7.2: Applying analytical procedures through calculations of different ratios for different items of financial statements</p> <p>LO2.7.3: Factors to be considered when using analytical procedures as substantive procedures</p> <p>LO2.7.4: Course of action when results of analytical procedures identify fluctuations and inconsistencies.</p>

Syllabus Ref	Contents	Level	Learning Outcome
(h)	Documentation (ISA 230)	2	<p>LO2.8.1: Explain the nature and purpose of audit documentation</p> <p>LO2.8.2: Describe the form, content and extent of audit documentation using simple examples</p> <p>LO2.8.3: Discuss the use of computer based audit working papers</p> <p>LO2.8.4: Explain the difference between permanent and current working papers with examples.</p> <p>LO2.8.5: List the contents of working paper file / audit documentation</p> <p>LO2.8.6: Discuss the ownership, custody and confidentiality of audit working papers</p> <p>LO2.8.7: Understand the nature of assembly of the final audit file.</p>
(i)	Contents of audit report of annual financial statements under Companies Act, 2017 and types of modifications in audit reports		<p>LO2.9.1: Understand modified and unmodified audit opinion</p> <p>LO2.9.2: Explain qualified opinion, disclaimer of opinion and adverse opinion</p> <p>LO2.9.3: Explain emphasis of matter and other matter in the auditor's report</p> <p>LO2.9.4: List the circumstances under which an external auditor uses an emphasis of matter and other matter paragraph in the auditor's report</p>
3	Audit evidence		
(a)	External Confirmations (ISA 505)	2	<p>LO3.1.1: Define external confirmation and list various types of third party confirmations available to an external auditor.</p> <p>LO3.1.2: Describe the significance of using external confirmation procedures for obtaining relevant and reliable audit evidence</p> <p>LO3.1.3: Describe the steps involved in external confirmation procedures</p> <p>LO3.1.4: Differentiate between the positive confirmation request and negative confirmation request, including their appropriateness in different situations</p> <p>LO3.1.5: Discuss the conditions of sending negative confirmations</p> <p>LO3.1.6: Discuss the auditor's course of Action if management refuses to allow auditor to send confirmation.</p>
(b)	Subsequent events (ISA 560) (Excluding matters related to issuance of revised reports)	2	<p>LO3.2.1: Explain subsequent events and its relevance with the following critical dates</p> <ul style="list-style-type: none"> • Date of the financial statements • Date of approval of the financial statements • Date of the auditor's report • Date the financial statements are issued

Syllabus Ref		Contents	Level	Learning Outcome
				<p>LO3.2.2: Explain the subsequent events review procedure</p> <p>LO3.2.3: Discuss the classification of subsequent events into adjusting and non-adjusting events</p> <p>LO3.2.4: Describe the auditor's responsibility in respect of following situations</p> <ul style="list-style-type: none"> • Events occurring between the date of the financial statements and the date of the auditor's report • Facts which become known to the auditor after the date of the auditor's report but before the date the financial statements are issued • Facts which become known to the auditor after the financial statements have been issued <p>LO3.2.5: Identify the subsequent events and explain the auditor's responses.</p>
	(c)	Written representation (ISA 580)	2	<p>LO3.3.1: Discuss the nature of written representations as audit evidence</p> <p>LO3.3.2: Discuss the circumstances where written representations are necessary and the matters on which representations are commonly obtained</p> <p>LO3.3.3: Discuss the form and content of written representations</p> <p>LO3.3.4: Explain the various types of written representation</p> <p>LO3.3.5: Discuss the auditor's course of action if management refuses to provide requested written representation.</p> <p>LO3.3.6: Discuss the auditor's course of action when there is doubt as to the reliability of written representation provided by the management.</p>
	(d)	Using the work of internal auditor (ISA 610)	2	<p>LO3.4.1: Explain the relationship between the external auditor with internal auditors and auditor's experts</p> <p>LO3.4.2: Explain the internal audit function including internal audit activities</p> <p>LO3.4.3: Discuss the factors determining the independence of internal auditors, weaknesses and limitations of internal audit</p> <p>LO3.4.4: Discuss how external auditors determine whether and to what extent they use the work of internal audit</p>

Syllabus Ref	Contents	Level	Learning Outcome
(e)	Using the work of auditor's expert (ISA 620)	2	<p>LO3.5.1: Discuss how the auditor assesses the work of an expert</p> <p>LO3.5.2: Discuss how the external auditor uses the work of an auditor's Expert when that work is used to assist in obtaining sufficient appropriate audit evidence.</p>
(f)	Difference between annual audit and review of interim financial statements	2	<p>LO3.6.1: Explain the objective of a review engagement of financial statements and how it differs from an audit</p> <p>LO3.6.2: State the terms of engagement which may be included in the engagement letter</p> <p>LO3.6.3: Explain assurance and non- assurance engagement with examples.</p> <p>LO3.6.4: Describe the procedures generally adopted by the practitioner to obtain evidence in review engagements</p> <p>LO3.6.5: Discuss and explain the report issued under engagement to review financial statements.</p>
4	Professional Accountancy		
(a)	Fundamental principles (Section 100 to 150 of the Code of Ethics for Chartered Accountants)	2	<p>LO4.1.1: Describe with simple examples the fundamental principles of professional ethics of integrity, objectivity, professional competence and due care, confidentiality and professional behavior</p> <p>LO4.1.2: Apply the conceptual framework to identify, evaluate and address threats to compliance with fundamental principles</p> <p>LO4.1.3: Understand the threats and circumstances that cause threats of self-interest, self-review, advocacy, familiarity, and intimidation</p> <p>LO4.1.4: Discuss the safeguards to offset the threats to compliance with the fundamental principles</p> <p>LO4.1.5: Discuss the concept of ethical conflict resolution.</p>
(b)	Client and engagement acceptance (Section 210 of the Code of Ethics for Chartered Accountants)	2	<p>LO4.2.1: Explain the advertisement and publicity guidelines of ICAP's Code of Ethics for obtaining the audit work</p> <p>LO4.2.2: Apply the conceptual framework to identify, evaluate and address threats in case of Fees, Referral Fees and Tendering for audit work.</p> <p>LO4.2.3: Explain using simple examples the matters to be considered and the procedures that an audit firm/ professional accountant should carry out in the following circumstances:</p> <ul style="list-style-type: none"> • Client acceptance • Engagement acceptance • Changes in a professional appointment (including Additional work, Mid-Term Removal and Non-reappointment)

Syllabus Ref	Contents	Level	Learning Outcome
5	Professional Ethics		
	(a) Code of Ethics issued by IFAC	2	<p>LO5.1.1: Describe with simple examples the fundamental principles of professional ethics of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.</p> <p>LO5.1.2: Apply the conceptual framework to identify, evaluate and address threats to compliance with fundamental principles.</p> <p>LO5.1.3: Understand the threats and circumstances that cause threats of self-interest, self-review, advocacy, familiarity, and intimidation.</p> <p>LO5.1.4: Discuss the safeguards to offset the threats to compliance with the fundamental principles.</p> <p>LO5.1.5: Discuss the concept of ethical conflict resolution.</p>

LEVEL 4

BUSINESS ORGANIZATION

Learning	Outcome
On the successful completion of this paper candidates will be able to:	
1	Lead the organization through the discharge of its responsibilities in relation to strategic direction, policy approval, oversight and accountability such that the good governance outcomes of an ethical culture, good performance, effective control and legitimacy with stakeholders are achieved by the organization and to explain the Governance plays a pivotal role in determining how organizations function, which is why we have witnessed a proliferation of governance concepts in diverse contexts
2	Explain the investigating attributes of a risk management training decision framework has been a challenging research experience that was only made possible with the support and cooperation from a number of people.
3	Explaining the COSO internal control framework begins with a focus on organizational objectives for operations, reporting, and compliance and identifies five components of internal control understand an organization's environment includes factors that it can readily affect as well as factors that largely lay beyond its influence.
4	Understand the impact of globalization. Know the main aspects.

SPECIFICATION GRID

S. No.	Syllabus Contents Area	Weightage %
1	Principles of Good Governance (Audit Assurance)	20-25
2	Rights and Responsibilities of Stakeholders and Components of Organization Governance Framework	20-25
3	Risk Management Framework for Organization	20-25
4	Components of Internal Control Reporting Framework	20-25
5	Environment of Organization (PESTEL)&Globalization	15-20
Total		100

Syllabus Ref	Contents	Level	Learning Outcome
1	Principles of Good Governance (Audit Assurance)		
(a)	Participation, Representation, Fair Conduct of Elections	3	LO1.1.1: Understanding the principles that are stated to be evolutionary in nature and should be reviewed in the light of significant changes in circumstances. Learning the corporate governance, which is primarily based on ethical code of business conduct, the principles of good corporate governance should be non-binding on the corporate companies.
(b)	Responsiveness	3	LO1.1.2: To learn the quality of reacting quickly and positively.
(c)	Efficiency and Effectiveness	3	LO1.1.3: To learn the ability to do things well, successfully, and without waste, while the meeting the degree of successfully producing the desired result.
(d)	Openness and Transparency	3	LO1.1.4: To increase the acceptability and making an individual transparent and fair.
(e)	Rule of Law	3	LO1.1.5: Understanding the restriction of the arbitrary exercise of power by subordinating it to well-defined and established laws.
(f)	Ethical Conduct	3	LO1.1.6: A code of ethics outlines the ethical principles that govern decisions and behavior at a company or organization.
(g)	Competence and Capacity	3	LO1.1.7: To learn demonstrable characteristics and skills that enable performance of a job and maximizing the output.
(h)	Innovation and Openness to Change	3	LO1.1.8: To familiarize students with the concept of continuous improvement and adaptability towards new advancements & betterment.
(i)	Sustainability and Long-term Orientation	3	LO1.1.9: To focus on meeting the needs of the present and as well as acquiring the long-term goals.
(j)	Sound Financial Management	3	LO1.1.10: To learn careful tracking and prudent management of company's financial resources and cash-flow.
(k)	Human rights, Cultural Diversity and Social Cohesion	3	LO1.1.11: Understanding the rights basic rights of workforce. LO1.1.12: Believe in co-existence and cross-cultural relations amongst the diversified workforce. LO1.1.13: The concept of social cohesion, and its relationship to human rights in particular; discrimination
(l)	Accountability	3	LO1.1.12: To understand the responsibility within job and considering accountable for the job.

Syllabus Ref	Contents	Level	Learning Outcome
2	Rights and Responsibilities of Stakeholders and Components of Organization Governance Framework <i>The main components of a governance model contain some important key aspects:</i>		
	(a) Board Oversight and Responsibilities	3	LO2.1.1: The responsibilities of board, carrying out oversight responsibilities across the organization in areas such as business and risk strategy, organization, financial soundness and regulatory compliance.
	(b) Committee Authorities and Responsibilities	3	LO2.2.1: Understanding the authorities of committee. As per the bylaws, the committee is given responsibilities to act on behalf of the board, its membership, functions, and authority level.
	(c) Organizational Design and Reporting Structure	3	LO2.3.1: Understanding the organizational design is actually a formal process of integrating people, information and technology together in the right mix to achieve objectives and its relations with organizational structure is the formal lines of authority
	(d) Management Accountability and Authority	3	LO2.4.1: Understanding the obligation. <ul style="list-style-type: none"> • There must be an obligation or duty to do something where someone is held to account. • An action. An individual is held to account for not just results, but also, actions. More than simply getting something done, accountability involves how it gets done.
	(e) Performance Management and Incentives	3	LO2.5.1: Learning the performance management, and its pivotal elements' role in driving corporate decision-making for people and about people; in the form of incentives.
3	Risk Management Framework for Organization		
	(a) Business Risks	3	LO3.3.1: Understanding the threats and prospects failure for the business.
	(b) Enterprise Risk Management	3	LO3.3.2: Analysis about the modern businesses, how they face diverse collection of obstacles and potential dangers.
	(c) Risk Management Responsibilities	3	LO3.3.3: Learning the set of responsibilities; to communicate risk policies and processes for an organization
	(d) Stakeholders and Risks	3	LO3.3.4: Understanding that Risks often have difficulty clarifying the role of stakeholders in risk management.
	(e) Risk Assessment Risk response	3	LO3.3.5: Understanding that the response(s) to a given risk should reflect the risk type, the risk assessment (likelihood, impact, and criticality) and the organization's attitude to risk.

Syllabus Ref	Contents	Level	Learning Outcome
4	<p>Components of Internal Control Reporting Framework</p> <p><i>In an “effective” internal control system, the following five components work to support the achievement of an entity’s mission, strategies and related business objectives.</i></p>		
	<p>(a) Control Environment</p> <ul style="list-style-type: none"> • Integrity and Ethical Values • Commitment to Competence • Board of Directors and Audit Committee • Management’s Philosophy and Operating Style • Organizational Structure • Assignment of Authority and Responsibility • Human Resource Policies and Procedures 	3	<p>LO4.1.1: Learning the control environment in the view of the following:</p> <ul style="list-style-type: none"> • Those being control environment, risk assessment, control activities, information and communication, and monitoring activities. • Management establishes with board oversight, structures, reporting lines and appropriate authorizes and responsibility in pursuit of the objectives. • The organization demonstrates a commitment to attract, develop and retain competent individuals in alignment with the objectives.
	<p>(b) Risk Assessment</p> <ul style="list-style-type: none"> • Company-wide Objectives • Process-level Objectives • Risk Identification and Analysis • Managing Change 	3	<p>LO4.2.1: Explaining the Risk assessment, that it is the identification of hazards that could negatively impact an organization’s ability to conduct business. Learning and identify these inherent business risks and provide measures, processes and controls to reduce the impact of these risks to business operations.</p>
	<p>(c) Control Activities</p> <ul style="list-style-type: none"> • Policies and Procedures • Security (Application and Network) • Application Change Management • Business Continuity/Backups • Outsourcing 	3	<p>LO4.3.1: Learning that Control activities steps are widely utilized framework containing best practices for both security and application controls. It consists of domains and processes. The basic structure indicates that IT processes satisfy business requirements, which is enabled by specific IT control activities. It also recommends best practices and methods of evaluation of an enterprise’s IT controls.</p>
	<p>(d) Information and Communication</p> <ul style="list-style-type: none"> • Quality of Information • Effectiveness of Communication 	3	<p>LO4.4.1: Learning the Information and communications technology (ICT) skills, and the ability of an individual to converse with people through technology.</p>
	<p>(e) Monitoring</p> <ul style="list-style-type: none"> • Ongoing Monitoring • Separate Evaluations • Reporting Deficiencies 	3	<p>LO4.5.1: Explaining the ongoing evaluations, separate evaluations and Reporting, including controls to affect the principles within each component, is present and functioning. Learning ongoing evaluations, built into business processes at different levels of the entity, provide timely information. Separate evaluations, conducted periodically, varies in scope and frequency depending on assessment of risks, effectiveness of ongoing evaluations, and other management considerations.</p>

Syllabus Ref	Contents	Level	Learning Outcome
5	Environment of Organization (PESTEL)		
(a)	Political Analysis	3	LO5.1.1: Learning that the political factors and several aspects of government policy can affect business. Students must find how upcoming legislations can affect their activities.
(b)	Economic Analysis	3	LO5.2.1: Understanding how Economic factors affect business is essential to making smart decisions and guiding your company to greater heights
(c)	Social Analysis	3	LO5.3.1: Learning the factors that include – population growth, age distribution, health consciousness, career attitudes and others.
(d)	Technological Analysis	3	LO5.4.1: Evaluating technological factors' relation with PESTLE analysis. They can be defined as factors which relate to the presence and development of technology, on either a local or global scale
	Globalization		
(a)	Global Environment Affecting International Trade and Finance <ul style="list-style-type: none"> • Trade Policies • Exchange Rates, Foreign Currency Reserves and Inflation • Demand • Trade Balance as an Economic Indicator 	3	LO6.1.1: Learning the factors that drives supply and demand, and thus prices, are global. An understanding of how international trade and foreign exchange rate fluctuations affect economies, companies, and investments is important. Also, understanding these concepts in the light of Microeconomics and Macroeconomics that how companies and individuals make decisions to allocate scarce resources, and economic growth and international trade.
(b)	E-Commerce and Emerging Markets In our view, there are a number of factors indicating that online retail spending across emerging markets is far from played out. <ul style="list-style-type: none"> • Urbanization Coincides with Greater Propensity to Shop Online • FMCG and Food Delivery to Support Growth • Traditional Retailers Developing Online Capabilities • Pure-Play Online Companies Expanding Offline Offerings • Cross Border E-Commerce As an Additional Driver • Data Analytics Can Drive Online Revenues Further • Greater Adoption of Mobile Payments in Emerging Markets Drives Growth 		LO6.2.1: Understanding that E-commerce is the technology which is expected to become more popular in the future. While e-commerce is the maturing market, emerging economies are poised to become the next mega market as the adoption of internet rises gradually. Emerging markets are the hotbeds for e-commerce that comes with unique opportunities and challenges across the regions. LO6.2.2: In emerging markets, the e-commerce has been growing exponentially, and at a rate may soon surpass the developed countries in recent years. As, e-commerce achieves higher penetration rates in developing countries, and it will overcome obstacles to adopt the high-speed networks which are fast enough for Smartphone and shipping cost. LO6.2.3: The rapid adoption of electronic devices and subsequent access to the internet has allowed emerging market consumers to be a major global force across a range of online activities that includes all the aspects of consumer buying and preferences.