



**Syllabus
Scheme
2015**

Level – 1

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

Quantitative Methods

Level 1, Subject 1, Marks 100

Objective

The objective of this course is to provide students with the principal theoretical concepts and basic analytical tools for developing analytical thinking skills used in business applications

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 analyse 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 in dependent variable on the basis of its relationship with independent variable
9	Compute probability involving discrete 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	
5	Statistical Concepts	10 – 15
6	Correlation & Regression Analysis	10 – 15
7	Probability and probability distribution	10 – 15
8	Sampling and decision making	10 – 15
	Total	100

A Basic Mathematics

- Exponential and logarithmic functions
- Equation of straight line and its application
- Simultaneous linear equations and their application

- (d) Solving Quadratic Equation
- (e) Factorisation of Equations (Square of sum of two expressions, Square of difference of two expressions, Difference between two squares, Completion of squares)
- (f) Co-ordinate System (Understanding of slope, intercept, slope intercept form of equation and preparation of graph of linear equations)
- (g) Arithmetic and Geometric progression and their applications

2 Mathematics of Finance

- (a) Simple and Compound interest
- (b) Annual, periodic and effective interest rates
- (c) Time value of money
- (d) Present Value and Discounting
- (e) Future values
- (f) Net Present Value
- (g) Annuities and Perpetuities
- (h) Internal rate of return (including the use of interpolation)

3A Calculus

- (a) Rules for finding derivatives (Sum, difference, product and quotient rule)
- (b) Marginal Revenue, Cost and Profit functions
- (c) Maximisation and minimization problems and the use of second order derivatives

3B Linear Programming

- (a) Linear inequalities
- (b) Converting simple situations into linear inequalities
- (c) Graphical solution to linear programming problems
- (d) Feasible region (bounded as well as unbounded), redundant constraints, no feasible solution, alternative optimum solution

B Statistical Data analysis for Decision making

5 Statistical Concepts

- (a) Collection and tabulation of data
- (b) Bar charts, pie charts, histograms, frequency polygons, ogives, stem and leaf display
- (c) Measures of central tendencies (Arithmetic/geometric/harmonic means, median, mode)
- (d) Measures of dispersion (standard deviation, variance)
- (e) Index numbers, weighted index numbers (Laspeyre, Paasche and Fisher price indices), purchasing power and deflation of income

6 Correlation & Regression Analysis

- (a) Scatter diagram
- (b) Linear regression lines by method of least squares
- (c) Co-efficient of correlation and determination
- (d) Rank correlation
- (e) Interpretation

7 Probability and probability distribution

- (a) Permutations and Combinations,
- (b) Probability
- (c) Addition law for mutually exclusive and not mutually exclusive events
- (d) Multiplicative laws for dependent and independent events
- (e) Probability Distributions (Binomial, Hyper-geometric and Normal)

8 Sampling and decision making

- (a) Population and sample
- (b) Random Sampling
- (c) Sampling Distribution and Sampling Error of mean
- (d) Sampling with and without replacement
- (e) Hypothesis testing (population mean, population proportion, difference between population means and difference between two population proportions)
- (f) Estimation (Confidence intervals for population mean, proportion and variance and difference between population mean, proportion and variance.
- (g) Chi-Square distribution (test of independence and test of goodness of fit)

Basic Accounting

Level 1, Subject 2, Marks 100

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

- 1 Introduction to Accounting
 - (a) Business Entities and Business Transactions
 - (b) Forms of business organisations (sole proprietorship, partnership and limited liability companies)
 - (c) Fundamental accounting concepts (Accrual, going concern, true and fair view, consistency, prudence, substance over form, materiality, completeness)
 - (d) Financial Statements (Components, responsibility, presentation, users)
- 2 Book Keeping
 - (a) Elements of financial statements (Assets, Liabilities, Equity, Income, Expense)
 - (b) Double entry system and rules for debit and credit.

- (c) General Journal
- (d) Cash Book
- (e) Sales Journal and Sales Ledger
- (f) Purchase Journal and Purchase Ledger
- (g) General Ledger
- (h) General Ledger Control Accounts and their reconciliation with subsidiary ledgers
- (i) Bank Reconciliation Statement

3 Preparation of Financial Statements of a sole trader

- (a) Unadjusted trial balance
- (b) Adjustments
 - (i) Depreciation on fixed assets and methods of depreciation (Straight Line, Diminishing Balance, Sum of Years' digits, Number of Units produced)
 - (ii) Allowance for bad debts and write offs
 - (iii) Closing inventory
 - (iv) Prepayments and accruals
 - (v) Correction of errors including those relating to bank reconciliations and other control account reconciliations
- (c) Statement of Financial Position (Balance Sheet)
- (d) Income Statement

4 Preparation of Accounts from incomplete records

Business English and Behavioral Studies

Level 1, Subject 3, Marks 100

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 organisation

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

1 Vocabulary

- Identify the correct meaning of the words (A list of approximately 3500 commonly used words would be provided by PIPFA)
- Identification of synonyms and antonyms of the above words
- Using the above words into sentences

2 English Grammar

- Parts of speech
- Rules for formation of sentences
- Declarative, interrogative, imperative, exclamatory and optative sentences
- Simple, compound, complex, multiple and conditional sentences
- Phrases and Idioms

- (f) Use of tenses
- (g) Direct and indirect speech
- (h) Active and passive voice
- (i) Punctuation

3 Comprehension

- (a) Answering questions from given passage

4 Behavioral Studies

- (a) Definition and approaches to behavioral studies
- (b) Organisational cultures
- (c) External and general factors affecting organizational behavior
- (d) Management by objectives and management by exception
- (e) Individual behavior
 - Perceptions and attitudes
 - Job satisfaction and stress
 - Self-efficacy
 - Motivation and motivational factors
- (f) Types and theories of leadership and skills of leaders
- (g) Conflict and negotiation

Level – 2

1. Business Economics

2. Business Laws/ or

Strategy Policy Development

3. Cost Accounting

Business Economics

Level 2, Subject 1, Marks 100

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-economics 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

- 1 Basic concepts of economics
 - (a) Multiplicity of wants and scarcity of resources
 - (b) Factors of Production
 - (c) Production Possibility Curve
 - (d) Economic systems (Market, Planned, Mixed, Islamic)

- 2 Microeconomics
 - (a) Importance, scope and limitations of microeconomics
 - (b) Demand and Supply:
 - Law of demand
 - Law of supply
 - Equilibrium of demand and supply
 - Elasticity of demand and supply

- (c) Law of diminishing marginal utility and law of equi-marginal utility
- (d) Consumer's equilibrium
- (e) Indifference curves
- (f) Perfect competition, monopoly, monopolistic competition and oligopoly
- (g) Equilibrium of firms under various markets and in short-term and long-term
- (h) Law of increasing returns and law of diminishing returns

3 Macroeconomics

- (a) Scope and limitations of macroeconomics
- (b) Circular flow of income
- (c) National Income and related concepts i.e. GDP, GNP, NNP and DI
- (d) Three approaches to measurement of national income
- (e) Consumption, savings and investment functions
- (f) Marginal propensity to consume and save
- (g) Multiplier and accelerator
- (h) Phases of business cycle
- (i) Inflation and unemployment
- (j) Fiscal budget
- (k) Principles, methods and forms of taxation

4 Banking system, financial markets and international trade

- (a) Banking System
 - 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
 - Islamic banking system
- (b) Financial Markets
 - Money markets
 - Capital markets
- (c) International trade
 - Balance of trade
 - Balance of payments
 - Foreign exchange rate (fixed and floating) and its determination
 - Factors affecting the size of international trades

Business Laws

Level 2, Subject 2, Marks 100

Learning Outcome

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

1	Understand the basic features of Pakistan's legal system
2	Comprehend laws governing contracts, sale of goods and partnership
3	Demonstrate understanding of Companies Ordinance, 1984 as regards different types of companies, incorporation of companies, issuance of shares and debentures, management & administration of companies and audit & accounts

Specification Grid

S. No.	Syllabus Contents Area	Weightage %
1	Introduction to Pakistan's legal system	5 – 10
2	Contract Act 1872	20 – 25
3	Sale of Goods Act 1930	10 – 15
4	Partnership Act 1932	10 – 15
5	Companies Ordinance, 1984	45 – 55
	Total	100

- 1 Introduction to Pakistan's legal system
 - (a) Sources of law and introduction to constitution of Pakistan
 - (b) Process of legislation
 - (c) Legal system in Pakistan

- 2 Contract Act 1872
 - (a) Communication, acceptance and revocation of proposals
 - (b) Essentials of a valid contract
 - (c) Void agreements and voidable contracts
 - (d) Contingent contracts
 - (e) Performance of contracts and related matters
 - (f) Certain relations resembling those created by contracts

- (g) Breach of contracts
 - (h) Contracts involving indemnity & guarantee, bailment & pledge and contract of agency
- 3** Sale of Goods Act 1930
- (a) Formation of the contract of sale
 - (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
 - (b) Nature of partnership
 - (c) Mutual rights and duties of partners
 - (d) Relations of partners to third parties
- 5** Companies Ordinance, 1984
- (a) Definitions, Jurisdiction of Courts and incorporation of companies (Section 1 to 51)
 - (b) Shares and debentures, rights of shareholders, charges and mortgages (Section 52 to 136)
 - (c) Management and Administration (Sections 142 to 204A)
 - (d) Investments, contracts and disclosure of interests (Sections 208 to 229)
 - (e) Accounts, audit and distribution of profits (Sections 230 to 257)

Strategy Policy Development

OPTIONAL

Alternate to

Business Laws

Strategy and Policy Development

Level 2, Subject 2, Marks 100

Learning Outcome	
On the successful completion of this paper candidates will be able to:	
1	Understand the policy and strategy development process and framework
2	Prepare and evaluate external and internal analysis and key issues arising from such analysis
3	Understand and evaluate the roles and influences of various stakeholders
4	Understand the importance of socio-economic, ethical and other influences on policy & strategy
5	Understand and evaluate the process of development of an organisation's mission and objectives
6	Explain and apply various theories and models of strategic option development
7	Discuss the main elements of marketing strategy
8	Discuss the factors to be considered in evaluating and selecting strategic options
9	Explain the monitoring procedures used in strategy implementation
10	Understand various organizational structures and the factors that influence organizational design
11	Understand various models for collaboration between two or more organisations

Specification Grid

S. No.	Syllabus Contents Area	Weightage %
1	Policy and strategy development process and framework	20 – 30
2	Stakeholders and objective setting	20 – 30
3	Generating and evaluating strategies	20 – 30
4	Development of organization structure	20 – 30
	Total	100

- 1 Policy and strategy development process and framework
 - (a) Policy and strategy and framework for their development:
 - Government policy
 - Organizational strategy
 - Corporate / business unit / operational strategy
 - (b)
 - (i) Planning framework and policy making process:
 - Conventional model
 - Ruling class; Pluralism; Corporatism; Party government; Whitehall model
 - Rational decision making; Incrementalism
 - (ii) The policy-making cycle, including key players:
 - Initiation
 - Formulation
 - Scrutiny
 - Implementation
 - Accountability

- (c) External Analysis:
 - PESTLE
 - Porter's Diamond
 - Porter's Five Forces
 - Scenario planning
- (d) Internal Analysis:
 - Product / service lifecycle
 - Boston matrix; Public service matrix
 - Value chains, value systems and value drivers
 - Strategic capability and resource audits
 - Using benchmarking to evaluate performance
- (e) Key issues arising from strategic analysis:
 - SWOT analysis
 - Gap analysis

2 Stakeholders and objective setting

- (a) Roles and influences of various stakeholders:
 - Identification of stakeholders
 - The role of leadership and management
 - Pressure groups
 - Stakeholder value analysis
 - Needs versus wants
 - Stakeholder mapping
- (b) Socio-economic, ethical and other influences on policy & strategy:
 - Sustainability, environmental issues and third party consequences
 - Corporate social responsibility
 - Law and regulation
 - Socio-economic factors
 - Features and impact of globalization; global ethical considerations
 - Constraints on policy makers
 - Ethical considerations
 - Cultural considerations – definition of culture and Schein's cultural levels
 - Brand considerations
- (c) Development of an organization's mission and objectives
 - Hierarchy of objectives
 - Vision and mission
 - Main and supporting objectives and key performance indicators (including the setting of 'SMART' targets)
 - Core values

3 Generating and evaluating strategies

- (a) Theories and models of strategic option development:
 - Rational versus creative approaches to option generation
 - Porter's generic strategies

- Strategy clock
 - Directional policy matrices – GE – Mckinsey matrix; Shell matrix
 - Ansoff's growth matrix and forms of disinvestment
- (b) Elements of a marketing strategy:
- The marketing mix – products 4 'P's; services 7 'P's
 - Branding strategies; responding to negative brand issues
 - Market segmentation, targeting and positioning
- (c) Factors to be considered in evaluating and selecting strategic options:
- Suitability
 - Acceptability
 - Feasibility
 - Mckinsey 'Seven S' framework
- (d) Monitoring procedures used in strategy implementation
- Strategic planning styles
 - Types of monitoring procedures

4 Development of organization structure

- (a) Factors that influence organizational design:
- Flat versus tall designs
 - Responsibility, authority and accountability
 - Line, staff and functional relationships
 - Organic versus mechanistic approaches
 - Differentiation and integration
 - Role flexibility versus job specification
 - Bureaucracy and post bureaucracy
 - Empowerment versus control
 - Centralization versus decentralization; corporate parenting style
 - Benefits of resource sharing and collaborative working
- (b) Evaluation of different organization structures:
- Simple structures
 - Functional structures
 - Divisional structures
 - Matrix structures
 - Corporate group structures
 - Hybrid / intermediate structures
- (c) Models for collaboration between two or more organizations:
- Strategic alliances
 - Shared services
 - Shared management teams
 - Pooled budgets
 - Outsourcing and insourcing
 - Joint ventures
 - Franchising

- Licensing
- Arm's length bodies
- Mergers and acquisitions
- Consortia
- Networks – tactical collaborations for specific strategic aims
- Due diligence process

Cost Accounting

Level 2, Subject 3, Marks 100

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

Specification Grid

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

1A Cost accounting concepts

- (a) Elements of cost
- (b) Direct and indirect cost
- (c) Applied and actual overheads
- (d) Fixed and variable overheads
- (e) Period and product costs

1B Accounting for material, labour and factory overheads

- (a) Material
 - Procedure for procurement and recording of material
 - Material costing methods
 - Basis of valuation (FIFO, weighted average)
 - Accounting for material and related costs

- (b) Labour
 - Direct and indirect labour
 - Remuneration methods (periodic basis, hourly rate, straight piece rate, differential piece rate, incentive wage plans)
 - Labour related costs (Overtime, bonus, vacation pay, guaranteed wage plans and pensions)
 - Accounting for labour and labour related costs

- (c) Overheads
 - 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 Costing Systems

- (a) Job costing and batch costing
- (b) Process costing
- (c) Costing of joint and by-products
- (d) Marginal and absorption costing

3 Standard costing and variance analysis

- (a) Introduction to standard costing
- (b) Establishing standard costs
- (c) Calculation of variances
 - Material variances (Price, Usage, Mix and Yield variance)
 - Labour variances (Rate and efficiency variances)
 - Overheads (Three and four variance methods)
- (d) Analysis and interpretation of variances

Level – 3

1. Financial Accounting

2. Taxation

**3. Business Communication &
Report Writing / or**

Business & Change Management

Financial Accounting

Level 3, Subject 1, Marks 100

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.
3	Understand and apply the rules related to revenue recognition
4	Understand the concepts involved in branch accounting, record transactions involving branches and prepare branch trading and profit and loss account.
5	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 Ordinance, 1984	20 – 30
2	Accounting for Inventories and Property, Plant and Equipment	20 – 30
3	Revenue recognition	10 – 20
4	Branch accounting	15 – 20
5	Partnership Accounts	15 – 20
	Total	100

- 1 Preparation of Financial Statements in accordance with IFRS
 - (a) Statement of financial position under IAS 1
 - (b) Statement of comprehensive income (IAS 1)
 - (c) Statement of cash flows (IAS 7) using direct and indirect method

- 2A Accounting for Inventories (IAS 2)
 - (a) Periodic and perpetual inventory systems and the difference between the accounting entries under the two systems.
 - (b) Cost of inventories including cost of conversion

- (c) Net Realisable Value
- (d) Presentation of inventories and the related disclosures as per IAS 2

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)
- (b) Revaluation of property, plant and equipment (basic principles, accounting entries for revaluation, impairment and depreciation after revaluation)
- (c) Disposal (de-recognition) of fixed assets (under cost as well as revaluation method)
- (d) Disclosure requirements as per IAS 16

3 Revenue recognition (IAS 18)

Basic principles governing revenue recognition as regards

- (a) Sale of goods (except
- (b) Rendering of services
- (c) Interest
- (d) Royalties
- (e) Dividends

4 Branch accounting (excluding foreign branches)

- (a) Basic concepts (branch inventories, invoicing of goods at cost and mark-up, branch debtors and reserve)
- (b) Journal entries to record transactions between head office and branch
- (c) Branch trading and profit and loss account

5 Partnership Accounts

- (a) Partners' capital and current accounts
- (b) Allocation of profit and loss and preparation of income statement and balance sheet
- (c) Admission and retirement (death) of partners
- (d) Computation and recording of goodwill
- (e) Amalgamation and dissolution

Taxation

Level 3, Subject 2, Marks 100

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
	Total	100

- 1 System of taxation in Pakistan and constitutional provisions
 - (a) Different kinds of taxes and their scope
 - (b) Federal financial procedures (Article 78 to 88 of the Constitution)
 - (c) Provincial financial procedures (Article 118 to 127 of the Constitution)
 - (d) Distribution of revenue between Federation and the Provinces (Article 160 to 165A of the Constitution)
 - (e) Federal Legislative List relating to revenue generating measures (related part of Fourth Schedule to the Constitution of Pakistan)

- 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)
 - (b) Chapter II - Charge of tax (Excluding section 7)

- (c) Chapter III - Tax on taxable income (Excluding sections 14, 23B, 29A, 30, 31, 42, 43 and 49)
- (d) Chapter IV - Common Rules
- (e) Chapter V - Provisions governing persons (Excluding sections 90, 95, 96, 97, 97A, 98, 98A, 98C)
- (f) Chapter VI – Special Industries (Section 100B and 100C)
- (g) Chapter VII – International (Excluding sections 106 and 107)
- (h) Chapter VIII – Anti-avoidance (Section 111)
- (i) Chapter IX – Minimum Tax
- (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)
- (k) Chapter XII – Transitional Advance Tax Provisions (Section 231A, 231AA, 233, 236A, 236C, 236I, 236K, 236M and 236N)
- (l) Income tax rules related to above mentioned provisions of the Income Tax Ordinance, 2001
- (m) First, Second and Third Schedules to the Income Tax Ordinance, 2001
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)
- (b) Chapter II – Scope and payment of tax (Excluding section 7)
- (c) Chapter III – Registration
- (d) Chapter IV – Book keeping and invoicing requirements
- (e) Chapter V – Returns
- (f) Chapter VII – Offences and penalties (Sections 33 and 34)
- (g) Chapter VIII – Appeals (Sections 45B, 46 and 47)
- (h) Chapter X – Miscellaneous (Sections 58, 66, 67 and 73)
- (i) Sales Tax Rules, 2006 (Chapters I, II, III and IV)

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)
- (b) Chapter II – Levy, collection and payment of duty

Business Communication and Report Writing

Level 3, Subject 3, Marks 100

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 précis 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	Précis and Report Writing	15 – 25
	Total	100

- 1 Fundamentals of Business Communication
 - (a) Definition, Goals, Patterns and Channels of Business Communication
 - (b) Information needs, Components of Communication Process, Methods, Barriers
 - (c) Formal and Informal Communication and different Types of Communication networks
 - (d) Seven Cs of effective communication

- 2 Inter-personal and Intrapersonal Skills
 - (a) Axioms and purposes of inter-personal communication
 - (b) Forms of communication
 - Oral communication
 - Written communication
 - (c) Listening skills
 - (d) Non-verbal communication

- (e) Ethics in inter-personal communication
- (f) Basic aspects of intra-personal (self-concept, perception and expectation)

3 Written Business Messages

- (a) Objectives and key elements of written business messages
- (b) Letters
- (c) Memos
- (d) Circulars
- (e) Agendas
- (f) Minutes

4 Electronic Communication

- (a) Key Terms introduction
- (b) e-mail
- (c) Video Conferencing
- (d) Websites

5 Précis and Report Writing

- (a) Précis Writing
- (b) Introduction to business reports (objectives, common types, contents, process)
- (c) Short Business Report
- (d) Long Report

Business & Change Management

OPTIONAL

Alternate to Business

Communication & Report Writing

Business and Change Management

Level 4, Subject 2, Marks 100

Learning Outcome	
On the successful completion of this paper candidates will be able to:	
1	Evaluate the role of commissioning in delivering business change
2	Evaluate and apply the key elements in a successful procurement process
3	Evaluate and apply the tools and techniques required in project planning and project control
4	Understand the importance of post project review
5	Evaluate project management issues specifically related to IT projects
6	Evaluate and apply models used to deliver process improvement
7	Evaluate and apply techniques to identify, define and manage programs
8	Evaluate and apply various approaches to change management

Specification Grid

S. No.	Syllabus Contents Area	Weightage %
1	Planning for business change	30 – 40
2	Managing projects including issues specific to IT projects and process change	30 – 40
3	Delivering successful programmes and managing the impact of change	25 – 35
	Total	100

1 Planning for business change

(a) Role of commissioning in delivering business change:

- Definition of commissioning and relationship between commissioning cycle and the procurement process
- Analysis phase: resource and risk analysis; service provision review; population needs assessment; legislation and guidance review
- Planning phase: gap analysis; commissioning strategy; business case and options appraisal; service design
- Doing phase: market/supplier development; capacity building; managing supplier relationships
- Review phase: assessing outcomes; review of market performance; review of plans; evaluation of services
- Stakeholder engagement and consultation

(b) Key elements in a successful procurement process:

- Needs assessment
- Market assessment
- Total acquisition cost and total cost of ownership
- Competitive tendering

- Evaluation of tenders
- Negotiation
- Contract formulation and service level agreements
- Contract pricing and cost escalation
- Contract monitoring
- E-procurement

2 Managing projects including issues specific to IT projects and process change

(a) Tools and techniques required in project planning:

- Project objective and success criteria
- Project duration, cost and quality
- Documentation and PRINCE2
- Governance structures
- Project teams
- Role of the finance director
- Work breakdown structures
- Gantt charts

(b) Tools and techniques required in project control:

- Waterfall and agile approaches
- OGC GatewayTM process
- Risk, assumption, issue, dependency management and the Orange book
- Project budgets and budget accounting
- Stakeholder management
- Communication
- Barriers to communication

(c) Types and importance of post project review:

- Types of 'post' review
- Lessons learned

(d) Project management issues specifically related to IT projects:

- Acquisition methods – buy or build; host or cloud
- Systems development life cycle
- E-government
- Impact of information systems legislation

(e) Models used to deliver process improvement:

- Lean thinking
- Just in time
- Value / functional analysis
- Kaizen
- Six sigma
- Servqual
- Identifying quality problems

3 Delivering successful programmes and managing the impact of change

(a) Techniques to identify and define:

- Distinction between projects and programmes
- Governance structures
- Developing the vision and blueprint
- Evaluation of competing business cases
- Benefits realization plan

(b) Techniques to manage programs:

- Management of programme tranches
- Management of the programme portfolio to deliver capability
- Managing and realizing benefits
- Closing a programme

(c) Approaches to change management:

- Types of organizational change; change management models
- Modern leadership – role of leaders in initiating change and developing a creative and innovative organizational environment
- Planning for change
- Organizational culture – the cultural web and cultural change
- Group behavior and creating successful teams
- The psychological contract
- Managing resistance to change
- Use of change agents
- Managing conflicts
- Reinforcing success
- Practical ways to motivate staff
- Appraisals
- Training, mentoring and development
- Delegation
- Job design

Level – 4

- 1. Financial Reporting/ or
Public Service Financial Reporting**
- 2. Management Accounting**
- 3. Audit, Assurance & Ethics**

Financial Reporting

Level 4, Subject 1, Marks 100

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 Ordinance, 1984.
2	Account for transactions related to tangible and intangible assets and leases.
3	Understand the concept of capitalization of borrowing costs.
4	Account for transactions related to taxation.
5	Comprehend rules of revenue recognition and other matters related to construction contracts.
6	Understand the implications of contingencies, changes in accounting policies and estimates, errors and events occurring after the reporting period.

Specification Grid

S. No.	Syllabus Contents Area	Weightage %
1	Final account including consolidation with a single subsidiary	15 – 25
2	Accounting for tangible and intangible assets, leases, borrowing costs and impairment of assets	25 – 35
3	Accounting for taxation, construction contracts, related party transactions and segment reporting	20 – 30
4	Contingencies and commitments, changes in accounting policies and estimates, errors and events occurring after reporting dates	15 – 20
	Total	100

- 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 Ordinance 1984.
 - (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).
- 2 Accounting for tangible and intangible assets, leases, borrowing costs and impairment of assets
 - (a) Recognition, de-recognition, measurement, depreciation/ammortisation and measurement after recognition of non-current assets (IAS 16 and IAS 38)

- (b) Leases (IAS 17)
 - Operating and finance lease (excluding sale and lease back transactions and dealer leasing)
 - Preparation of amortisation schedules and journal entries
 - Preparation of extracts of financial statements showing required disclosures
 - (c) Borrowing costs (IAS 23)
 - Criteria for qualifying assets
 - Determining amount of borrowing cost to be capitalized
 - Disclosure requirements
 - (d) Impairment of individual assets (excluding cash generating unit, goodwill and financial assets) (IAS 36)
 - Costs of disposal, fair value and recoverable amount of an asset
 - Measuring recoverable amount and value in use
 - Recognising an impairment loss
 - Reversal of impairment loss recognised in prior period(s)
- 3 Accounting for taxation, construction contracts, related party transactions and segment reporting
- (a) Taxation (IAS 12)
 - 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
 - (b) Construction contracts (IAS 11)
 - Construction revenue and construction costs
 - Rules related to recognition of contract revenue and expenses
 - Recognition of expected losses
 - Disclosure requirements
 - (c) Related party transactions and segment reporting (IAS 24)
 - Who are related parties
 - Disclosure of related parties, related party transactions and balances due to/from related parties
 - (d) Segment reporting (IFRS 8)
 - Operating segments
 - Aggregation criteria
 - Quantitative thresholds
 - Disclosure requirements
- 4 Contingencies and commitments, changes in accounting policies and estimates, errors and events occurring after reporting dates. (IAS 37)

- (a) Provisions, contingent liabilities and contingent assets
- (b) Implications of change in accounting policies and accounting estimates
- (c) Accounting for prior period errors
- (d) Implications of events occurring after balance sheet date
- (e) Disclosure requirements

Public Service Financial Reporting

OPTIONAL

Alternate to

Financial Reporting

Public Services Financial Reporting

Level 4, Subject 1, Marks 100

Learning Outcome	
On the successful completion of this paper candidates will be able to:	
1	Understand the main features of public service organisations, the role of IFRS in the financial reporting by public service organisations and ethical issues in preparation of financial statements of public service organisations.
2	Prepare and interpret key external financial statements of separate public service entities.
3	Understand the group accounting process and related adjustments.
4	Prepare consolidated financial statements involving one subsidiary and/or one associate.
5	Identify and understand the needs of specific users of financial statements.
6	Analyze and interpret various ratios and understand their relevance to particular users.

Specification Grid

S. No.	Syllabus Contents Area	Weightage %
1	Public services financial reporting framework	8 – 12
2	Financial statements for single entity organisations	55 – 65
3	Consolidated financial statements	15 – 25
4	Interpretation of financial statements	8 – 12
	Total	100

- 1 Public services financial reporting framework
 - (a) Financial and non-financial objectives of public sector organizations and comparison with private sector organizations
 - (b) Sources of finance for public service organizations
 - (c) Relationships between organizations within the public sector
 - (d) Relationships between public sector and private sector organizations
 - (e) Impact of externally set objectives and targets
 - (f) Users, their needs and the impact on financial reporting
 - (g) Financial accountability in the public sector and its impact on external financial reporting
 - (h) Application of IFRSs via sector-specific codes/manuals and departures from IFRS requirements
 - (i) Influence of legislation and other forms of regulation by government
 - (j) Role and influence of International Public Sector Accounting Standards
 - (k) Ethical issues in relation to preparation of financial statements for public service organizations and to the provision of financial reporting information

- 2 Financial statements for single entity organisations
 - (a) General principles
 - (b) Main requirements of IFRSs
 - (c) Sector-specific regulations
 - (d) Statement of comprehensive income or equivalent

- (e) Statement of financial position or equivalent
- (f) Statement of cash flows or equivalent
- (g) Statement of changes in equity or equivalent
- (h) Disclosures
- (i) Statement of financial activities
- (j) Balance sheet
- (k) Disclosures

3 Consolidated financial statements

- (a) Determining the group boundary and issues of materiality
- (b) Working with other organizations and determining the accounts production process and timetable
- (c) Parent and subsidiary
- (d) Associate
- (e) Joint ventures
- (f) Joint arrangements that are not entities
- (g) Other public-private arrangements
- (i) Whole of government accounts
- (j) Consolidated statement of comprehensive income or equivalent
- (k) Consolidated statement of financial position or equivalent

4 Interpretation of financial statements

- (a) Providers of finance
- (b) Service users and customers
- (c) Government and other official bodies
- (d) Public and others
- (e) Efficiency
- (f) Profitability and return
- (g) Liquidity and solvency
- (h) Limitations of ratios
- (i) Interpretation of ratios in the public service context
- (j) Reports to management and other users

Management Accounting

Level 4, Subject 2, Marks 100

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	

- 1 Introduction to management accounting
 - (a) Scope of management accounting
 - (b) Objectives and role of management accounting
 - (c) Limitations of management accounting

- 2 Forecasting and budgeting
 - (a) Purpose of budgeting and forecasting
 - (b) Budget and planning process
 - (c) Revenue and production budgets
 - (d) Cash budgets
 - (e) Zero based budgeting and flexible budgets
 - (f) Budgetary controls

- 3 Performance analysis
 - (a) Cost, volume and profit analysis
 - (b) Break-even analysis
 - (c) Working capital management (Cash, debtor, creditors and inventory management techniques and policies)
 - (d) Return on capital
 - (e) Divisional performance
 - (f) Transfer pricing
 - (g) Performance analysis of non-profit and public welfare organisation

- 4 Decision making
 - (a) Cost concepts in decision making
 - Relevant cost
 - Sunk cost
 - Opportunity cost / imputed cost
 - Replacement cost
 - Differential cost
 - (b) Pricing decisions and pricing strategies
 - (c) Make or buy decisions
 - (d) Sell or process decision
 - (e) Operate or shut down decisions
 - (f) Utilisation of spare capacity
 - (g) Pricing for special orders

- 5 Introduction to financial management
 - (a) Concept of present value and net present value
 - (b) Discounted cash flow
 - (c) Pay-back period (simple and discounted)
 - (d) Internal rate of return (IRR)
 - (e) Cost of capital
 - (f) Capital Budgeting
 - (g) Debt vs equity financing

Audit, Assurance and Ethics

Level 4, Subject 3, Marks 100

Learning Outcomes	
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 Ordinance, 1984 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 Ethics	10 – 15
	Total	100

- 1 General concepts and principles of audit
 - (a) Introduction to International Federation of Accountants
 - (b) Introduction to International Auditing and Assurance Standard Setting Body
 - (c) Objectives and General Principles governing an audit (ISA 200)
 - (d) Distinguish between the responsibilities of auditor and the accountant, in respect of financial statements
 - (e) Auditor's responsibility to consider fraud (ISA 240)
 - (f) Appointment and removal of auditors (sections 252 to 260 of the Companies Ordinance, 1984)
 - (g) Terms of audit engagements (ISA 210)

- 2 Performance of audit and reporting
 - (a) Planning an audit (ISA 300)

- (b) Assessment of audit risks (ISA 315 and 330)
- (c) Audit materiality (ISA 320)
- (d) Audit evidence (ISA 500)
- (e) Audit sampling (ISA 530)
- (f) Tests of controls and Substantive procedures (ISA 330)
- (g) Analytical procedures (ISA 520)
- (h) Documentation (ISA 230)
- (i) Contents of audit report of annual financial statements under Companies Ordinance, 1984 and types of modifications in audit reports

3 Audit evidence

- (a) External Confirmations (ISA 505)
- (b) Subsequent events (ISA 560) (Excluding matters related to issuance of revised reports)
- (c) Written representation (ISA 580)
- (d) Using the work of internal auditor (ISA 610)
- (e) Using the work of auditor's expert (ISA 620)
- (f) Difference between annual audit and review of interim financial statements

4 Professional Ethics

- (a) Fundamental principles (Section 100 to 150 of the Code of Ethics for Chartered Accountants)
- (b) Client and engagement acceptance (Section 210 of the Code of Ethics for Chartered Accountants)