



***ACA Certificate Level
syllabus, skills development and
technical knowledge grids***

For Exams in 2019

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ACA overview

The ICAEW chartered accountancy qualification, the ACA, is one of the most advanced learning and professional development programmes available. Its integrated components provide an in-depth understanding across accountancy, finance and business. Combined, they help build the technical knowledge, professional skills and practical experience needed to become an ICAEW Chartered Accountant.

Each component is designed to complement each other, which means that students can put theory into practice and can understand and apply what they learn to their day-to-day work. The components are:

- Professional development
- Ethics and professional scepticism
- Three to five years practical work experience
- 15 accountancy, finance and business exams

PROFESSIONAL DEVELOPMENT

ICAEW Chartered Accountants are known for their professionalism and expertise. Professional development prepares students to successfully handle a variety of different situations that they encounter throughout their career. The ACA qualification improves students' ability and performance in seven key areas:

- adding value
- communication
- decision making
- ethics and professionalism
- problem solving
- teamwork
- technical competence.

ETHICS AND PROFESSIONAL SCEPTICISM

Ethics is more than just knowing the rules around confidentiality, integrity, objectivity and independence. It's about identifying ethical dilemmas, understanding the implications and behaving appropriately. We integrate ethics throughout the ACA qualification to develop students' ethical capabilities – so they will always know how to make the right decisions and justify them.

THREE TO FIVE YEARS' PRACTICAL WORK EXPERIENCE

Practical work experience is done as part of a training agreement with an authorised training employer or principal. Students need to complete 450 days, which normally takes between three and five years. The knowledge, skills and experience they gain as part of their training agreement are invaluable, giving them the opportunity to put what they're learning into practice. Experience can be completed in at least one of the following six categories:

1. Accounting
2. Audit and assurance (audit is not compulsory)
3. Financial management
4. Information technology
5. Insolvency
6. Taxation.

15 ACCOUNTANCY, FINANCE AND BUSINESS EXAMS

Students gain in-depth knowledge across a broad range of topics in accountancy, finance and business. The exams are designed to complement their practical work experience, so they constantly progress through the qualification.

There are 15 exams over three levels – Certificate, Professional and Advanced. They can be taken in any order with the exception of the Case Study which has to be attempted last, within the final year of an ACA training agreement and once all other exams have been taken or received credit.

CERTIFICATE LEVEL

There are six exams at this level that introduce the fundamentals of accountancy, finance and business. Students may be eligible for credit for some exams if they have studied a qualification we recognise. Find out more at [icaew.com/cpl](https://www.icaew.com/cpl).

These six exams are also available as a stand-alone certificate, the ICAEW Certificate in Finance, Accounting and Business (ICAEW CFAB) and as part of the ICAEW Level 4 Trailblazer in Accountancy. ICAEW CFAB and our apprenticeship can serve as stepping stones to the ACA qualification.

PROFESSIONAL LEVEL

The next six exams build on the fundamentals and test students' understanding and ability to use technical knowledge in real-life scenarios. The exams can be taken in March, June, September and December. Please note, the Business Planning alternative exams for banking and insurance are available at the June, September and December sittings.

Prescribed texts are permitted for Audit and Assurance, Finance Accounting and Reporting and Tax Compliance, with open books permitted for the Business Planning exams.

The Professional Level exams are flexible and can be taken in any order to fit with a student's day-to-day work. The Business Planning and Business Strategy and Technology exams in particular help students to progress to the Advanced Level.

Alternative exams are available for the Business Planning and Financial Accounting and Reporting modules.

The Business Planning exams provide students with the opportunity to gain subject- and sector-specific knowledge while studying for the ACA. The suite of Business Planning exams are based on the same syllabus structure and skills frameworks, and will provide students with the opportunity to demonstrate their learning and use this in the context of taxation, banking or insurance. There are three to choose from – Business Planning: Taxation, Business Planning: Banking and Business Planning: Insurance. Students will need to sit one of the Business Planning exams.

Alternative financial reporting exams are also available for Financial Accounting and Reporting. Students can choose between two different contexts, either UK GAAP or IFRS. This means that

students can study the financial reporting framework most beneficial to their employer and clients. Students will need to sit one version of the Financial Accounting and Reporting exam.

ADVANCED LEVEL

The Corporate Reporting and Strategic Business Management exams test students' understanding and strategic decision making at a senior level. They present real-life scenarios, with increased complexity and implications from the Professional Level exams.

The Case Study tests all the knowledge, skills and experience gained so far. It presents a complex business issue which challenges students' ability to problem solve, identify the ethical implications and provide an effective solution.

The Advanced Level exams can be taken in July and November. They are fully open book, so they replicate a real-life scenario where all the resources are at their fingertips.

An authorised training employer or principal will guide their students on the exams which are right for them. If a student is studying the ACA independently, they should consider their future ambitions when selecting which exams to sit.

SYLLABUS

This document presents the learning outcomes for each of the ACA exams. The learning outcomes in each exam should be read in conjunction with the relevant technical knowledge grids and, where applicable, the skills development grid.

ASSESSMENT

The six Certificate Level exams each have a 1.5 hour computer-based exam, a 55% pass mark, and can be sat throughout the year at an ICAEW-approved test centre.

The Professional Level exams are 2.5 hours long, except for Financial Accounting and Reporting which is 3 hours long. Each exam has a 55% pass mark. The Professional Level exams are examined using computer-based exams. The Audit and Assurance, Financial Accounting and Reporting, Financial Management and Tax Compliance exams moved to computer in 2017 and are no longer available as paper-based exams.

Business Planning: Taxation and Business Strategy and Technology will move to computer-based exams in March 2018, with Business Planning: Banking and Business Planning: Insurance moving to computer-based exams in June 2018.

From June 2018, all Professional Level exams will be computer-based.

The three Advanced Level modules are also examined using paper-based exams. The Corporate Reporting and Strategic Business Management exams are 3.5 hours long. The Case Study exam is 4 hours long. Each has a 50% pass mark.

For more information, guidance and support on the introduction of computer-based exams, visit the exam resources area on our website at icaew.com/cbe

FLEXIBILITY

There are no regulations stipulating the order in which students must attempt the exams, allowing employers to design training programmes according to business needs. The exception to this rule is the Case Study, which must be the last exam attempted and when a student has entered their final year of training.

Students will be permitted a maximum of four attempts at each Certificate and Professional Level exam, and unlimited attempts at the Advanced Level exams.

CREDIT FOR PRIOR LEARNING (CPL)

Students with previous qualifications may be eligible to apply for CPL for up to 12 modules at the Certificate and Professional Levels. CPL is not available at the Advanced Level. For more information, visit [icaew.com/cpl](https://www.icaew.com/cpl)

OPEN BOOK POLICY

For some Professional Level exams, students are permitted to take certain publications into the exam. Details of these publications and our open book policy can be found at [icaew.com/permittedtexts](https://www.icaew.com/permittedtexts)

For the Professional Level Business Planning alternative exams, and at the Advanced Level, students are permitted to take any material into the exam, subject to practical space restrictions.

SKILLS PROGRESSION THROUGH THE ACA QUALIFICATION

Skills	Certificate Level		Professional Level		Advanced Level	
	Assurance, Business, Technology & Finance, Law	Principles of Taxation, Management Information, Accounting	Financial Accounting & Reporting, Audit & Assurance, Financial Management, Tax Compliance	Business Planning and Business Strategy & Technology	Corporate Reporting and Strategic Business Management	Case Study
Assimilating and using information						
Understanding the situation and the requirements	Objective testing	Objective testing and simple scenarios	Scenarios		Complex scenarios	Unstructured complex business scenarios
Identifying and using relevant information	Information as provided		Single information source provided	Several information sources provided	Multiple information sources provided	Multiple information sources including own research
Identifying and prioritising key issues	Issues given		Issues included in scenarios		Issues included in complex scenarios	Issues included in unstructured complex scenarios
Structuring problems and solutions						
Structuring data	Specified techniques		Specified techniques	Techniques inferred by nature of problem	Techniques inferred by nature of problem	Unspecified techniques
Developing solutions	Highly specified tasks	Specified problems	Specified problems		Specified and implicit problems	Defined output but unspecified problems
Applying judgement						
Applying professional scepticism and critical thinking	Objective testing		Specified requirement in simple scenario	Specified requirement in scenario	Specified requirement in complex scenario	Underlying requirement within complex scenario
Relating issues to the broader business environment, including ethical issues	Objective testing	Objective testing and Issues in simple scenarios	Issues in scenarios		Issues in complex scenarios	Issues in complex, unstructured scenarios
Concluding, recommending and communicating						
Concluding and recommending	Objective testing	Not assessed	Specified conclusions and recommendations in simple scenarios		Specified conclusions and reasoned recommendations in complex scenarios	Conclusions and recommendations supported by own evidence
Communicating	Prescribed exam format		Exam requirements, including some professional presentation		Professional presentations including reasoned recommendations	Professional report with appendices

PROFESSIONAL SKILLS ASSESSED IN THE ACA EXAMS

Assimilating and using information

Understand the situation and the requirements

- Demonstrate understanding of the business context
- Recognise new and complex ideas within a scenario
- Identify the needs of customers and clients
- Explain different stakeholder perspectives and interests
- Identify risks within a scenario
- Identify elements of uncertainty within a scenario
- Identify ethical issues including public interest and sustainability issues within a scenario

Identify and use relevant information

- Interpret information provided in various formats
- Evaluate the relevance of information provided
- Use multiple information sources
- Filter information provided to identify critical facts

Identify and prioritise key issues and stay on task

- Identify business and financial issues from a scenario
- Prioritise key issues
- Work effectively within time constraints
- Operate to a brief in a given scenario

Structuring problems and solutions

Structure data

- Structure information from various sources into suitable formats for analysis
- Identify any information gaps
- Frame questions to clarify information
- Use a range of data types and sources to inform analysis and decision making
- Structure and analyse financial and non-financial data to enhance understanding of business issues and their underlying causes
- Present analysis in accordance with instructions and criteria

Develop solutions

- Identify and apply relevant technical knowledge and skills to analyse a specific problem
- Use structured information to identify evidence-based solutions
- Identify creative and pragmatic solutions in a business environment
- Identify opportunities to add value
- Identify and anticipate problems that may result from a decision
- Identify a range of possible solutions based on analysis
- Identify ethical dimensions of possible solutions
- Select appropriate courses of action using an ethical framework
- Identify the solution which is the best fit with acceptance criteria and objectives
- Define objectives and acceptance criteria for solutions

Applying judgement

Apply professional scepticism and critical thinking

- Recognise bias and varying quality in data and evidence
- Identify assumptions or faults in arguments
- Identify gaps in evidence
- Identify inconsistencies and contradictory information
- Assess interaction of information from different sources
- Exercise ethical judgement

Relate issues to the environment

- Appreciate when more expert help is required
- Identify related issues in scenarios
- Assess different stakeholder perspectives when evaluating options
- Retain an overview of the business issue or scenario
- Appraise corporate responsibility and sustainability issues
- Appraise the effects of alternative future scenarios
- Appraise ethical, public interest and regulatory issues

Concluding, recommending and communicating

Conclusions

- Apply technical knowledge to support reasoning and conclusions
- Apply professional experience and evidence to support reasoning
- Use valid and different technical skills to formulate opinions, advice, plans, solutions, options and reservations.

Recommendations

- Present recommendations in accordance with instructions and defined criteria
- Make recommendations in situations where risks and uncertainty exist
- Formulate opinions, advice, recommendations, plans, solution, options and reservations based on valid evidence
- Make evidence-based recommendations which can be justified by reference to supporting data and other information
- Develop recommendations which combine different technical skills in a practical situation

Communication

- Present a basic or routine memorandum or briefing note in writing in a clear and concise style
- Present analysis and recommendations in accordance with instructions
- Communicate clearly to a specialist or non-specialist audience in a manner suitable for the recipient
- Prepare the advice, report, or notes required in a clear and concise style

Certificate Level

Accounting

MODULE AIM

To ensure that students have a sound understanding of the techniques of double entry accounting and can apply its principles in recording transactions, adjusting financial records and preparing non-complex financial statements.

On completion of this module, students will be:

- proficient in the use of double entry accounting techniques and the maintenance of accounting records;
- able to identify and correct omissions and errors in accounting records and financial statements; and
- able to specify the components of financial statements and prepare and present non-complex financial statements for sole traders, partnerships and limited companies.

METHOD OF ASSESSMENT

The Accounting module is assessed by a 1.5 hour computer-based exam. 40% of the marks are allocated from the preparation of single company financial statements; either a statement of profit or loss and statement of financial position or a statement of cash flows, using a pro-forma template. The remaining 60% of the marks are from 24 multiple-choice, multi-part multiple choice or multiple-response questions.

SPECIFICATION GRID

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

Syllabus area	Weighting (%)
1 Maintaining financial records	30
2 Adjustments to accounting records and financial statements	25
3 Preparing financial statements	45

The following learning outcomes should be read in conjunction with the relevant sections of the technical knowledge grids at the end of this document.

1 Maintaining financial records

Students will be proficient in the use of double entry accounting techniques and the maintenance of accounting records.

In the assessment, students may be required to:

- a. specify why an entity maintains financial records and prepares financial statements;
- b. specify the ethical considerations for preparers of financial statements;

- c. identify the sources of information for the preparation of accounting records and financial statements;
- d. record and account for transactions and events resulting in income, expenses, assets, liabilities and equity in accordance with the appropriate basis of accounting and the laws, regulations and accounting standards applicable to the financial statements;
- e. record and account for changes in the ownership structure and ownership interests in an entity; and
- f. prepare a trial balance from accounting records and identify the uses of the trial balance.

2 Adjustments to accounting records and financial statements

Students will be able to identify and correct omissions and errors in accounting records and financial statements.

In the assessment, students may be required to:

- a. identify omissions and errors in accounting records and financial statements and demonstrate how the required adjustments will affect profits and/or losses;
- b. correct omissions and errors in accounting records and financial statements; and;
- c. prepare journals for nominal ledger entry and to correct errors in draft financial statements.

3 Preparing financial statements

Students will be able to specify the components of financial statements, and prepare and present non-complex accounts for sole traders, partnerships and limited companies.

In the assessment, students may be required to:

- a. identify the main components of a set of financial statements and specify their purpose and interrelationship;
- b. specify the key aspects of the accrual basis of accounting and the cash basis of accounting; and
- c. prepare and present a statement of financial position, statement of profit or loss and statement of cash flows (or extracts) from the accounting records and trial balance in a format which satisfies the information requirements of the entity.

Assurance

MODULE AIM

To ensure that students understand the assurance process and fundamental principles of ethics, and are able to contribute to the assessment of internal controls and gathering of evidence on an assurance engagement.

On completion of this module, students will be able to:

- explain the concept of assurance, why assurance is required and the reasons for assurance engagements being carried out by appropriately qualified professionals with an attitude of professional scepticism and the exercise of professional judgement;
- explain the nature of internal controls and why they are important, document an organisation's internal controls and identify weaknesses in internal control systems;
- select sufficient and appropriate methods of obtaining assurance evidence and recognise when conclusions can be drawn from evidence obtained or where issues need to be referred to a senior colleague; and
- understand the importance of ethical behaviour to a professional and identify issues relating to integrity, objectivity, professional competence and due care, confidentiality, professional behaviour and independence.

METHOD OF ASSESSMENT

The Assurance module is assessed by a 1.5 hour computer-based exam. The exam consists of 50 questions worth two marks each, covering the areas of the syllabus in accordance with the weightings set out in the specification grid. The questions are presented in the form of multiple choice, multi-part multiple choice, or multiple response.

SPECIFICATION GRID

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

Syllabus area	Weighting (%)
1 The concept, process and need for assurance	20
2 Internal controls	25
3 Gathering evidence on an assurance engagement	35
4 Professional ethics	20

The following learning outcomes should be read in conjunction with the relevant sections of the technical knowledge grids at the end of this document.

1 The concept, process and need for assurance

Students will be able to explain the concept of assurance, why assurance is required and the reasons for assurance engagements being carried out by appropriately qualified professionals.

In the assessment, students may be required to:

- a. define the concept of assurance;
- b. state why users desire assurance reports and provide examples of the benefits gained from them such as to assure the quality of an entity's published corporate responsibility or sustainability report;
- c. compare the functions and responsibilities of the different parties involved in an assurance engagement;
- d. compare the purposes and characteristics of, and levels of assurance obtained from, different assurance engagements;
- e. identify the issues which can lead to gaps between the outcomes delivered by the assurance engagement and the expectations of users of the assurance reports, and suggest how these can be overcome;
- f. define the assurance process, including:
 - obtaining the engagement
 - continuous risk assessment
 - engagement acceptance
 - the scope of the engagement
 - planning the engagement
 - performing the engagement
 - obtaining evidence
 - evaluation of results of assurance work
 - concluding and reporting on the engagement
 - reporting to the engaging party
 - keeping records of the work performed;
- g. recognise the need to plan and perform assurance engagements with an attitude of professional scepticism and the exercise of professional judgement;
- h. define the concept of reasonable assurance; and
- i. recognise the characteristics of fraud and distinguish between fraud and error.

2 Internal controls

Students will be able to explain the nature of internal controls and why they are important, document an organisation's internal controls and identify weaknesses in internal control systems.

In the assessment, students may be required to:

- a. state the reasons for organisations having effective systems of control;
- b. identify the fundamental principles of effective control systems;
- c. identify the main areas of a business that need effective control systems;
- d. identify the components of internal control in both manual and IT environments, including:
 - the overall control environment
 - preventative and detective controls
 - internal audit;
- e. define and classify different types of internal control, with particular emphasis upon those which impact upon the quality of financial information;
- f. show how specified internal controls mitigate risk, including cyber risks, and state their limitations;
- g. identify internal controls for an organisation in a given scenario;
- h. identify internal control deficiencies in a given scenario; and
- i. identify, for a specified organisation, the sources of information which will enable a sufficient record to be made of accounting or other systems and internal controls.

3 Gathering evidence on an assurance engagement

Students will be able to select sufficient and appropriate methods of obtaining assurance evidence and recognise when conclusions can be drawn from evidence obtained or where issues need to be referred to a senior colleague.

In the assessment, students may be required to:

- a. state the reasons for preparing and keeping documentation relating to an assurance engagement;
- b. identify the different methods of obtaining evidence from the use of tests of control, substantive procedures, including analytical procedures and data analytics;
- c. recognise the strengths and weaknesses of the different methods of obtaining evidence;
- d. identify the situations within which the different methods of obtaining evidence should and should not be used;
- e. compare the reliability of different types of assurance evidence;
- f. select appropriate methods of obtaining evidence from tests of control and from substantive procedures for a given business scenario;
- g. recognise when the quantity (including factors affecting sample design) and quality of evidence gathered is of a sufficient and appropriate level, after taking account of sampling risk, to draw conclusions on which to base a report;
- h. identify the circumstances in which written confirmation of representations from management should be sought and the reliability of such confirmation as a form of assurance evidence; and
- i. recognise issues arising while gathering assurance evidence that should be referred to a senior colleague.

4 Professional ethics

Students will be able to understand the importance of ethical behaviour to a professional and identify issues relating to integrity, objectivity, professional competence and due care, confidentiality, professional behaviour and independence.

In the assessment, students may be required to:

- a. state the role of ethical codes and their importance to the profession;
- b. recognise the differences between a rules-based ethical code and one based upon a set of principles;
- c. recognise how the principles of professional behaviour protect the public and fellow professionals;
- d. identify the key features of the system of professional ethics adopted by IESBA and ICAEW;
- e. identify the fundamental principles underlying the IESBA and the ICAEW Code of Ethics;
- f. recognise the importance of integrity and objectivity to professional accountants, identifying situations that may impair or threaten integrity and objectivity;
- g. suggest courses of action to resolve ethical conflicts relating to integrity and objectivity;
- h. respond appropriately to the request of an employer to undertake work outside the confines of an individual's expertise or experience;
- i. recognise the importance of confidentiality and identify the sources of risks of accidental disclosure of information;
- j. identify steps to prevent the accidental disclosure of information;
- k. identify situations in which confidential information may be disclosed;
- l. define independence and recognise why those undertaking an assurance engagement are required to be independent of their clients;
- m. identify the following threats to the fundamental ethical principles and the independence of assurance providers:
 - self-interest threat
 - self-review threat
 - management threat
 - advocacy threat

- familiarity threat
 - intimidation threat;
- n. identify safeguards to eliminate or reduce threats to the fundamental ethical principles and the independence of assurance providers; and
 - o. suggest how a conflict of loyalty between the duty a professional accountant has to their employer and the duty to their profession could be resolved.

Business, Technology and Finance

MODULE AIM

To provide students with an understanding of how businesses operate and how finance functions help businesses to achieve their objectives.

On completion of this module, students will be able to:

- identify the general objectives of businesses and the functions and tasks that businesses perform in order to meet their objectives;
- specify the nature, characteristics, advantages and disadvantages of different forms of business and organisational structure;
- identify the purpose of financial information produced by businesses, specify how finance functions support business operations, and identify sources and methods of financing for businesses;
- specify the role of the accountancy profession and why the work of the profession is important;
- identify the role that governance plays in the management of a business and specify how a business can promote corporate governance, sustainability, corporate responsibility and an ethical culture;
- specify the impact on a business of the economic environment in which it operates; and
- identify key features, benefits and risks of different technologies.

METHOD OF ASSESSMENT

The Business, Technology and Finance module is assessed by a 1.5 hour computer-based exam. The exam consists of 50 questions worth two marks each, covering the areas of the syllabus in accordance with the weightings set out in the specification grid. The questions are presented in the form of multiple choice, or multiple response.

SPECIFICATION GRID

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

Syllabus area	Weighting (%)
1 Business objectives and functions	15
2 Business and organisational structures	10
3 The role of finance	20
4 The role of the accountancy profession	10
5 Governance, sustainability, corporate responsibility and ethics	15
6 External environment	15
7 Technology	15

The following learning outcomes should be read in conjunction with the relevant sections of the technical knowledge grids at the end of this document.

1 Business objectives and functions

Students will be able to identify the general objectives of businesses and the functions and tasks that businesses perform in order to meet their objectives.

In the assessment, students may be required to:

- a. state the general objectives of businesses;
- b. state the general objectives of strategic management and specify the strategic management process and interrelationship between a business's vision, mission and strategic objectives;
- c. identify the various functional areas within businesses and show how the functions assist the achievement of business objectives;
- d. identify the nature and functions of organisational management, human resources management and operations management and show how these are influenced by human behaviour;
- e. identify the relationship between a business's overall strategy and its functional strategies;
- f. identify the nature and purpose of strategic plans, business plans and operational plans;
- g. specify how a strategic plan is converted into fully-integrated business and operational plans;
- h. identify the main components of the risk management process and show how they operate; and
- i. identify the key issues in relation to risk and crisis management.

2 Business and organisational structures

Students will be able to specify the nature, characteristics, advantages and disadvantages of different forms of business and organisational structure.

In the assessment, students may be required to:

- a. identify the differences between businesses carried out by sole traders, partnerships, limited liability partnerships, companies, alliances and groups, and show the advantages and disadvantages of each of these business structures;
- b. identify different organisational structures and specify their advantages and disadvantages.

3 The role of finance

Students will be able to identify the purpose of financial information produced by businesses, specify how finance functions support business operations, and identify sources and methods of finances for businesses.

In the assessment, students may be required to:

- a. specify the extent to which financial information:
 - provides for accountability of management to shareholders and other stakeholders
 - reflects business performance
 - is useful to users in making decisions
- b. specify how finance functions support businesses in pursuit of their objectives;
- c. identify the main considerations in establishing and maintaining accounting and financial reporting functions and financial control processes;
- d. identify, in the context of accounting and other systems, the issues surrounding:
 - information processing
 - information security
 - information management;
- e. specify why the management of a business require information about performance measurement including an entity's sustainability management and natural capital;
- f. identify the accountant's role in preparing and presenting information for the management of a business;
- g. specify the relationship between a business and its bankers and other providers of financial products;

- h. identify the characteristics, terms and conditions and role of alternative short, medium and long-term sources of finance available to different businesses; and
- i. identify the processes by which businesses raise equity, capital and other long-term finance
- j. identify appropriate methods of financing exports, including:
 - bills of exchange
 - letters of credit
 - export credit insurance.

4 The role of the accountancy profession

Students will be able to specify the role of the accountancy profession and why the work of the profession is important.

In the assessment, students may be required to:

- a. identify the importance to the public interest of high quality, accurate financial reporting and assurance;
- b. specify the rationale for key parts of the profession's work and the links between the public interest, technical competence and professional responsibility, including accounting principles, accounting standards and sound business management; and
- c. specify the key features of the structure of the accountancy profession, the regulatory framework within which professional accountants work and the ways in which the accountancy profession interacts with other professions.

5 Governance, sustainability, corporate responsibility and ethics

Students will be able to identify the role that governance plays in the management of a business and specify how a business can promote corporate governance, sustainability, corporate responsibility and an ethical culture.

In the assessment, students may be required to:

- a. state the reasons why governance is needed and identify the role that governance plays in the management of a business;
- b. identify the key stakeholders and their governance needs for a particular business;
- c. identify and show the distinction between the roles and responsibilities of those charged with corporate governance and those charged with management, including the basics of the UK's corporate governance code;
- d. specify how differences in legal systems and in national and business cultures affect corporate governance;
- e. identify the roles and responsibilities of the members of the executive board, any supervisory board, the audit committee and others charged with corporate governance, internal audit and external audit;
- f. identify the roles and responsibilities of those responsible within a business for internal audit and for the external audit relationship;
- g. specify the nature of ethics, business ethics, sustainability and corporate responsibility; and
- h. specify the policies and procedures a business should implement in order to promote an ethical culture.

6 External environment

Students will be able to specify the impact on a business of the environment in which it operates including the potential effects of sustainability issues.

In the assessment, students may be required to:

- a. specify the signalling, rewarding and allocating effects of the price mechanism on business (including the concept of price elasticity);

- b. specify the potential types of failure of the market mechanism and their effects on business;
- c. identify the key macro-economic factors that affect businesses;
- d. specify the principal effects of national and international regulation upon businesses;
- e. show how the needs of different stakeholders in a business (eg, shareholders, the local community, employees, suppliers, customers) impact upon it.

7 Technology

Students will be able to identify key features, benefits and risks of different technologies.

In the assessment, students may be required to:

- a. identify the characteristics of big data and the different types and sources of data;
- b. specify uses of data science and data analytics by organisations;
- c. specify different types of cyber risk and attack and the steps organisations can take to improve cyber security;
- d. specify the features and uses of cloud accounting, the internet of things, digital assets and distributed ledger technology; and
- e. identify the effect of technology developments, including those relating to automation and intelligent systems, on the accountancy profession.

Law

MODULE AIM

To provide students with an understanding of the principles of English law.

On completion of this module, students will be able to:

- explain the nature of contractual agreements, the agency relationship and the consequences of negligence;
- understand the legal implications of incorporation, including the roles of shareholders and directors, and the main implications of insolvency law;
- identify instances of criminal behaviour that may be encountered by professional accountants; and
- identify other key areas in which the law affects the role and work of the professional accountant.

METHOD OF ASSESSMENT

The Law module is assessed by a 1.5 hour computer-based exam. The exam consists of 50 questions worth two marks each, covering the areas of the syllabus in accordance with the weightings set out in the specification grid. The questions are presented in the form of multiple choice or multi-part multiple choice.

SPECIFICATION GRID

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

Syllabus area	Weighting (%)
1 The impact of civil law on business and professional services	35
2 Company and insolvency law	40
3 The impact of criminal law on business and professional services	10
4 The impact of law in the professional context	15

1 The impact of civil law on business and professional services

Students will be able to explain the nature of contractual agreements, the agency relationship and the consequences of negligence.

In the assessment, students may be required to:

Contract

- a. recognise when a legally binding contract exists between two parties and how a contract may be enforced;
- b. identify the circumstances under which a contract can be terminated and possible remedies for breach of contract;

Agency

- c. identify the methods by which agency can be created;
- d. identify the duties and rights of agents;
- e. recognise the authority an agent has to enter into contracts on behalf of a principal, including express, implied and apparent authority; and that given to partners under legislation;

Negligence and liability

- f. identify instances and consequences of negligence (particularly negligent misstatement) in a given scenario; and
- g. identify instances and consequences of vicarious liability in a given scenario.

2 Company and insolvency law

Students will be able to understand the implications of incorporation, including the roles of shareholders and directors, and the main implications of insolvency law.

In the assessment, students may be required to:

- a. identify the differences between unincorporated businesses (sole traderships and partnerships), limited liability partnerships and companies, show the advantages and disadvantages of incorporation and recognise the circumstances when the veil of incorporation can be lifted;
- b. identify the procedures required to form a registered company or a limited liability partnership, including any practical considerations, and the nature and contractual force of a company's memorandum and articles of association and identify the advantages and disadvantages of off-the-shelf companies;
- c. identify the administrative consequences of incorporation or the formation of a limited liability partnership including requirements regarding statutory books, accounts, meetings and the role of the Company Secretary;
- d. identify the procedures for the issue of shares, including issues at a premium and pre-emption rights;
- e. identify the requirements of the Companies Act 2006 in respect of companies' statutory accounts and audit, including the exemptions for small and medium-sized companies and micro-entities
- f. identify aspects of capital maintenance including
 - reduction of capital
 - redemption and purchase of a company's own shares
 - financial assistance for the purchase of a company's own shares
 - distribution of profits;
- g. identify share transfer requirements and disclosure requirements;
- h. recognise how a shareholder can influence the management of a company through meetings and resolutions, including shareholders' rights to requisition a meeting;
- i. identify the various statutory rights of shareholders to challenge the management of the company under the Companies Act 2006 and the Insolvency Act 1986;
- j. identify the rights and duties which a member of a limited liability partnership possesses;
- k. identify the ways in which a director may be appointed and removed;
- l. identify directors' duties, explaining the consequences of any major breach;
- m. identify the powers of directors and in what circumstances they will bind the company in a contract with third parties;
- n. identify the nature of fixed and floating charges and the procedures for registering them;
- o. identify the nature and function of:
 - company voluntary arrangements
 - administration orders
 - receivership
 - compulsory and voluntary liquidation (including relevance of secured debt); and
- p. identify the main implications of insolvency law, including:
 - the principal means of termination of companies or other business entities

- the priorities on a liquidation of the distribution of assets including rights of creditors and employees (including secured assets)
- bankruptcy and other responses to personal insolvency.

3 The impact of criminal law on business and professional services

Students will be able to identify instances of criminal behaviour that may be encountered by professional accountants.

In the assessment, students may be required to:

- identify circumstances where an accountant will be protected from dismissal and victimisation if he raises concerns about malpractice in the workplace;
- identify instances and consequences of fraud in a given scenario;
- identify instances and consequences of bribery;
- identify instances and consequences of money laundering and select appropriate courses of action for a professional accountant in accordance with international and national regulations and law;
- recognise the relationships and interaction between legal principles, legislation, case law, ethics and ethical codes;
- identify the offences created under the Computer Misuse Act 1990; and
- identify how the Fraud Act (2006) relates to Cybercrime.

4 The impact of law in the professional context

Students will be able to identify other key areas in which the law affects the role and work of the professional accountant.

In the assessment, students may be required to:

Information and its legal environment

- identify the key requirements of the Data Protection Act 2018, on the use of personal information and how the act can affect the manner in which information systems are used by businesses; and
- recognise the requirements of protecting intellectual property, including digital contexts.

Employment law and social security law

- identify who is an employee and the main legal consequences of employment status;
- identify the key features of employment contracts and recognise circumstances in which an employment contract may be terminated and the consequences arising;
- identify when dismissal constitutes:
 - a wrongful dismissal
 - an unfair dismissal;
- identify the circumstances where an employee can claim a statutory redundancy payment; and
- Identify employers' obligations under social security law.

Management Information

MODULE AIM

To enable students to prepare essential financial information for the management of a business.

On completion of this module, students will be able to:

- establish the costs associated with the production of products and provision of services and use them to determine prices;
- select appropriate budgeting approaches and methods and prepare budgets;
- identify key features of effective performance management systems, select appropriate performance measures and calculate differences between actual performance and standards or budgets; and identify the key features, risks and benefits of a range of approaches to management information operations, and
- identify and calculate relevant data for use in management decision making.

METHOD OF ASSESSMENT

The Management Information module is assessed by a 1.5 hour computer-based exam. 20% of the marks are allocated in one scenario-based question. This will cover a single syllabus area: either costing and pricing; budgeting and forecasting; performance management; or management decision making. The remaining 80% of the marks are from 32 multiple choice, multi-part multiple choice or multiple response questions.

The assessment of 33 questions cover the areas of the syllabus in accordance with the weightings set out in the specification grid.

SPECIFICATION GRID

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

Syllabus area	Weighting (%)
1 Costing and pricing	25
5 Ethics	
2 Budgeting and forecasting	25
3 Performance management and management information operations	25
4 Management decision making	25

The following learning outcomes should be read in conjunction with the relevant sections of the technical knowledge grids at the end of this document.

1 Costing and pricing

Students will be able to establish the costs associated with the production of products and provision of services and use them to determine prices.

In the assessment, students may be required to:

- a. recognise the use of cost information for different purposes;
- b. classify costs as fixed, variable, direct or indirect;
- c. calculate unit costs and profits/losses from information provided, using:
 - marginal costing
 - absorption costing and reconcile the differences between the costs and profits/losses obtained;
- d. select the most appropriate method of costing for a given product or service;
- e. calculate the sales price for a given product or service using cost based pricing; and
- f. calculate transfer prices for specified sales to internal customers which take account of appropriate costs.

2 Budgeting and forecasting

Students will be able to select appropriate budgeting approaches and methods and prepare budgets.

In the assessment, students may be required to:

- a. apply forecasting techniques to assist management in performance measurement and planning;
- b. identify how data analytics can be used in budgeting and forecasting
- c. prepare budgets, or budget extracts from information supplied;
- d. select the most appropriate of the following budgeting approaches and methods, taking into account their advantages and disadvantages for planning, control and motivation:
 - bottom-up and top-down approaches to generating and managing budgets
 - activity-based, responsibility-based and product-based budget structures
 - zero-based and incremental budgeting;
- e. prepare and/or comment upon a cash budget for a business which highlights the quantity and timing of cash surpluses and deficits;
- f. calculate the cash cycle for a business and recognise its significance;
- g. identify the constituent elements of working capital and treasury and specify the methods by which each element can be managed to optimise working capital and cash flows; and
- h. recognise how a business manages surpluses and deficits predicted in cash budgets.

3 Performance management and management information operations

Students will be able to identify key features of effective performance management systems, select appropriate performance measures and calculate differences between actual performance and standards or budgets, and identify the key features, risks and benefits of a range of approaches to management information operations.

In the assessment, students may be required to:

- a. identify the reasons for and key features of effective performance management systems;
- b. select appropriate financial and non-financial performance measures which effectively encourage the business as a whole to meet its objectives;
- c. calculate differences between actual performance and standards or budgets in terms of price and volume effects and identify possible reasons for those differences
- d. identify the features of cloud accounting and their associated risks and benefits, and
- e. identify the features of shared service centres and their relative merits for the provision of management information

4 Management decision making

Students will be able to identify and calculate relevant data for use in management decision making.

In the assessment, students may be required to:

- a. calculate the breakeven point, contribution and margin of safety for a given product or service;
- b. allocate scarce resource to those products or services with the highest contribution per limiting factor;
- c. calculate the net present value, internal rate of return, payback period or accounting rate of return for a given project; and
- d. identify and comment upon the advantages and disadvantages of the investment appraisal techniques specified in 4(c) above.

5 Ethics

In the assessment, students may be required to:

- a. identify and explain ethical issues relating to the preparation, presentation and interpretation of financial information for the management of a business.

Principles of Taxation

MODULE AIM

To enable students to understand the general objectives of taxation and to calculate income tax, national insurance contributions, capital gains tax, corporation tax and VAT in straightforward scenarios.

On completion of this module, students will be able to:

- explain the general objectives of taxation, the influences upon the UK system of taxation, the different types of tax in the UK;
- recognise the ethical issues arising in the course of performing tax work;
- identify the obligations the UK system of taxation imposes on taxpayers and the implications of non-compliance;
- calculate the amount of income tax owed by or owed to individuals and the amount of national insurance payable;
- calculate the amount of capital gains tax payable by individuals and the chargeable gains subject to corporation tax;
- calculate the amount of corporation tax payable by companies; and
- calculate the amount of VAT owed by or owed to businesses.

METHOD OF ASSESSMENT

The Principles of Taxation module is assessed by a 1.5 hour computer-based exam. 20% of the marks are allocated to two scenario-based questions. These will each cover a single syllabus area: income tax and NIC, and corporation tax. The remaining 80% of the marks are from 40 multiple choice, multi-part multiple choice, multiple response or numeric entry questions. These questions will cover the remaining areas of the syllabus in accordance with the weightings set out in the specification grid.

The tax tables included in the ICAEW learning materials are provided to students on-screen in the exam.

SPECIFICATION GRID

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. In each assessment, the marks available will equate to the weightings below.

Syllabus area	Weighting (%)
1 Objectives, types of tax and ethics	10
2 Administration of taxation	20
3 Income tax and national insurance contributions	26
4 Capital gains tax and chargeable gains for companies	10
5 Corporation tax	14
6 VAT	20

The following learning outcomes should be read in conjunction with the relevant sections of the technical knowledge grids at the end of this document.

1 Objectives, types of tax and ethics

Students will be able to explain the general objectives of taxation, the influences upon the UK system of taxation, the different types of tax in the UK, and will be able to recognise the ethical issues arising in the course of performing tax work.

In the assessment, students may be required to:

- a. identify the objectives of digitisation of tax;
- b. identify the objectives of taxation in general terms of economic, social justice and environmental issues, the range of tax opportunities open to the government and the relative advantages of different types of tax in meeting the government's objectives;
- c. recognise the impact of relevant external influences on UK tax objectives and policies;
- d. classify entities as individuals, partnerships, or companies for tax purposes and state how they are taxed;
- e. identify who is liable for the following taxes, how the taxes apply to income and transactions, identify the government bodies responsible for the taxes, and determine when an individual or entity comes within the scope of the taxes:
 - capital gains tax
 - corporation tax
 - income tax
 - national insurance
 - VAT;
- f. recognise the importance of the budget cycle, tax year and the following sources of UK tax law and practice:
 - legislation
 - case law
 - HMRC manuals, statements of practice, extra-statutory concessions and press releases;
- g. identify the five fundamental principles given in the IESBA Code of Ethics for Professional Accountants and ICAEW Code of Ethics, and the guidance in relation to a tax practice with regard to:
 - the threats and safeguards framework
 - ethical conflict resolution; and
- h. identify the following:
 - conflicts of interest
 - money laundering
 - tax avoidance and tax evasion.

2 Administration of taxation

Students will be able to identify the obligations the UK system of taxation imposes on taxpayers and the implications for taxpayers of non-compliance.

In the assessment, students may be required to:

- a. identify the records which companies and individuals must retain for tax purposes and state the periods for which the records must be retained;
- b. identify the key features of the PAYE and national insurance system and calculate PAYE tax codes for employees;
- c. identify the key features of the self-assessment system for both companies and individuals;
- d. determine, in straightforward cases, due dates for:
 - companies', sole traders', partnerships' and individuals' tax returns, tax payments and payments on account
 - businesses' VAT returns and payments
 - employers' PAYE and national insurance returns and payments;
- e. identify and calculate the interest and penalties due for:

- late submissions of and/or incorrect returns, and
 - late and/or incorrect payments of tax;
- f. identify the periods within which HMRC can enquire into a taxpayer's returns or other information and tax liabilities and recognise the taxpayer's right of appeal and the process for dealing with disputes.

3 Income tax and national insurance contributions

Students will be able to calculate the amount of income tax owed by or owed to individuals and the amount of national insurance payable.

In the assessment, students may be required to:

- a. recognise the main sources of taxable and non-taxable income;
- b. calculate the personal allowance available to an individual according to personal circumstances including married couples allowance and marriage allowance;
- c. calculate assessable employment income for an employee or director, including taxable and exempt benefits;
- d. recognise the badges of trade;
- e. allocate given items of business expenditure as allowable or disallowable for tax purposes and calculate the adjusted trading profits after capital allowances on plant and machinery of a sole trader or partnership using either the accruals basis or cash basis of accounting;
- f. allocate the tax adjusted profits of a partnership to each partner and calculate the tax assessable profits for each partner for any given tax year;
- g. calculate the assessable trading profits for a new unincorporated business and identify the overlap profits on the commencement of trade;
- h. calculate the assessable trading profits for a continuing business;
- i. calculate the final assessable trading profits for an unincorporated business ceasing to trade;
- j. calculate total taxable income and the income tax payable or repayable for individuals; and
- k. calculate the total national insurance contributions payable by employees, employers and self-employed individuals.

4 Capital gains tax and chargeable gains for companies

Students will be able to calculate the amount of capital gains tax payable by individuals and the chargeable gains subject to corporation tax.

In the assessment, students may be required to:

- a. classify persons, assets and disposals as either chargeable or exempt for capital gains purposes;
- b. calculate the chargeable gains and losses on the disposal of assets, including indexation where appropriate;
- c. calculate total taxable gains for both individuals and companies; and
- d. calculate the capital gains tax payable by individuals.

5 Corporation tax

Students will be able to calculate the amount of corporation tax payable by companies.

In the assessment, students may be required to:

- a. identify accounting periods for a company;
- b. recognise the interaction of having one or more related 51% group companies with corporation tax payment dates;
- c. allocate given items of business expenditure as allowable or disallowable for tax purposes and calculate the adjusted trading profits after capital allowances on plant and machinery; and
- d. calculate the taxable total profits and the corporation tax payable for a company resident in the UK which has a period of account of 12 months or less.

6 VAT

Students will be able to calculate the amount of VAT owed by or owed to businesses.

In the assessment, students may be required to:

- a. classify supplies in given straightforward situations as exempt, zero-rated, standard-rated, subject to a reduced rate of 5%, or outside the scope of VAT;
- b. recognise the implications of supplies being classified as reduced-rated, standard-rated, zero-rated or exempt;
- c. identify when a business could or should register or deregister for VAT and state the time limits;
- d. determine the tax point for a supply of goods or services;
- e. state the principles of VAT payable or repayable on the supply of goods or services by a taxable person and calculate the monthly, quarterly or annual VAT payable or repayable by a business; and
- f. state the alternative schemes for payment of VAT by businesses and calculate the VAT payable or repayable for a business using these.

Technical knowledge

The tables contained in this section show the technical knowledge in the disciplines of financial reporting, audit and assurance, business analysis, ethics and taxation covered in the ACA syllabus by module.

For each individual standard the level of knowledge required in the relevant Certificate and Professional Level module and at the Advanced Level is shown.

The knowledge levels are defined as follows:

Level D

An awareness of the scope of the standard.

Level C

A general knowledge with a basic understanding of the subject matter and training in its application thereof sufficient to identify significant issues and evaluate their potential implications or impact.

Level B

A working knowledge with a broad understanding of the subject matter and a level of experience in the application thereof sufficient to apply the subject matter in straightforward circumstances.

Level A

A thorough knowledge with a solid understanding of the subject matter and experience in the application thereof sufficient to exercise reasonable professional judgement in the application of the subject matter in those circumstances generally encountered by chartered accountants.

Key to other symbols:

→ The knowledge level reached is assumed to be continued

Ethics Codes and Standards

Ethics Codes and Standards	Level	Modules
IESBA Code of Ethics for Professional Accountants (parts A, B and C and Definitions) ICAEW Code of Ethics	C/D	Certificate Level
	B	Accounting
	C/D	Assurance
	D	Business, Technology and Finance
	C	Law
	C	Management Information
		Principles of Taxation
		Professional Level
	A	Audit and Assurance
	B	Business Strategy and Technology
	B	Financial Accounting and Reporting
	B/C	Financial Management
	B	Tax Compliance
	B	Business Planning
		Advanced Level
A	Corporate Reporting	
A	Strategic Business Management	
A	Case Study	
FRC Revised Ethical Standard (2016)	B	Assurance
	A	Audit and Assurance
		Advanced Level
	A	Corporate Reporting
	A	Strategic Business Management
	A	Case Study

Assurance and Audit

Topic	Assurance	Audit and Assurance	Advanced Level
The International Auditing and Assurance Standards Board		D	C
The Authority Attaching to Standards Issued by the International Auditing and Assurance Standards Board		C	A
The Authority Attaching to Practice Statements Issued by the International Auditing and Assurance Standards Board			A
Discussion Papers			C
Working Procedures			C
International Standards on Auditing (UK)			
200 (Revised June 2016) Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing (UK)	B	A	→
210 (Revised June 2016) (Updated July 2017) Agreeing the Terms of Audit Engagements		B	→
220 (Revised June 2016) (Updated July 2017) Quality Control for an Audit of Financial Statements		B	→
230 (Revised June 2016) Audit Documentation	C	B	A
240 (Revised June 2016) (Updated July 2017) The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements	C	B	A
250 A (Revised December 2017) Consideration of Laws and Regulations in an Audit of Financial Statements		B	A
250 B (Revised June 2016) The Auditor's Statutory Right and Duty to Report to Regulators of Public Interest Entities and Regulators of Other Entities in the Financial Sector			C
260 (Revised June 2016) (Updated July 2017) Communication with Those Charged with Governance		B	A
265 Communicating Deficiencies in Internal Control to Those Charged with Governance and Management		B	A
300 (Revised June 2016) Planning an Audit of Financial Statements	B	A	→
315 (Revised June 2016) Identifying and Assessing the Risks of Material Misstatement Through Understanding of the Entity and its Environment	C	A	→
320 (Revised June 2016) (Updated July 2017) Materiality in Planning and Performing an Audit	C	A	→
330 (Revised July 2017) The Auditor's Responses to Assessed Risks	C	B	A
402 Audit Considerations Relating to an Entity Using a Service Organisation		C	B
450 (Revised June 2016) (Updated July 2017) Evaluation of Misstatements Identified during the Audit	C	A	
500 (Updated July 2017) Audit Evidence	B	A	→
501 Audit Evidence - Specific Considerations for Selected Items		B	A
505 (Updated July 2017) External Confirmations (Revised July 2017)	B	B	A
510 (Revised June 2016) Initial Audit Engagements - Opening Balances	C	B	A
520 Analytical Procedures	B	A	A
530 Audit Sampling	B	B	A
540 (Revised June 2016) Auditing Accounting Estimates, Including Fair Value Accounting Estimates and Related Disclosures	C	B	A
550 Related Parties	C	B	A

Topic	Assurance	Audit and Assurance	Advanced Level
560 Subsequent Events		B	A
570 (Revised June 2016) Going Concern		A	→
580 Written Representations	C	B	A
600 (Revised June 2016) Special Considerations – Audits of Group Financial Statements (including the Work of Component Auditors)		C	A
610 (Revised June 2013) Using the Work of Internal Auditors	C	B	A
620 (Revised June 2016) Using the Work of an Auditor's Expert		B	A
700 (Revised June 2016) Forming an Opinion and Reporting on Financial Statements	B	A	→
701 Communicating Key Audit Matters in the Independent Auditor's Report		B	A
705 (Revised June 2016) Modifications to the Opinion in the Independent Auditor's Report		A	→
706 (Revised June 2016) Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report		A	→
710 Comparative Information – Corresponding Figures and Comparative Financial Statements		B	A
720 The Auditor's Responsibility Relating to Other Information		B	A
800 Special Considerations – Audits of Financial Statements prepared in Accordance with Special Purpose Frameworks		B	A
805 (Revised October 2016) Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or items of a Financial Statement		B	A
International Standards on Auditing			
810 (Revised) Engagements to Report on Summary Financial Statements			B
International Auditing Practice Note (IAPN)			
1000 Special Considerations in Auditing Financial Instruments			B
International Standards on Review Engagements (ISREs)			
2400 (Revised September 2012) Engagements to Review Historical Financial Statements		C	B
International Standards on Review Engagements (UK & Ireland)			
2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity		C	B
International Standards on Assurance Engagements (ISAEs)			
3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information		C	B
3400 The Examination of Prospective Financial Information		C	A
3402 Assurance Reports on Controls at a Service Organisation		C	B
3410 Assurance Engagements on Greenhouse Gas Statements		C	→
International Standards on Related Services (ISRSs)			
4400 Engagements to Perform Agreed-upon Procedures Regarding Financial Information			B
4410 Compilation Engagements (Revised March 2012)			B
IAASB Statements			
ISQC1 (Revised June 2016) (Updated July 2017) Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements		C	B
Other Guidance			

Topic	Assurance	Audit and Assurance	Advanced Level
Bulletin (October 2016): Compendium of Illustrative Auditor's Reports on United Kingdom Private Sector Financial Statements for periods commencing on or after 17 June 2016		B	B
FRC Briefing Paper Professional Scepticism – establishing a common understanding and reaffirming its central role in delivering audit quality		B	B

Business Analysis

Topic	Certificate and Professional Levels				Advanced Level
	Management Information	Business, Technology and Finance	Financial Management	Business Strategy and Technology	
STRATEGIC ANALYSIS					
Environmental and market analysis tools					
PESTEL analysis		C		A	→
Porter's five forces		C		A	→
Product life cycle		C		A	→
Boston consulting group matrix		C		A	→
Prices and markets		C		A	→
Competitor analysis		C		A	→
Positional and other analysis tools					
Resource audit		C		A	→
Resource-based strategy		C		A	→
Value chain analysis		C		A	→
SWOT analysis		C		A	→
Gap analysis		C		A	→
Marketing analysis		C		A	→
Competitive advantage		C		A	→
Benchmarking		C		A	→
Directional policy matrix					B
Business process analysis				B	A
Strategic risk analysis				A	→
Balanced scorecard		C		A	→
STRATEGIC CHOICE					
Strategy formulation, evaluation and choice		C		A	→
Business risk management		C		A	→
Financial analysis and data analysis				A	→
Stakeholder analysis		C		A	→
Objectives and stakeholders' preferences		C		A	→
Corporate responsibility and sustainability		C		B	A
STRATEGIC IMPLEMENTATION					
Business plans		C		A	→
Organisational structure		C		A	→
Information management		C		B	A
Change management				A	→
Project management					A
BUSINESS MANAGEMENT					
Performance management				C	A
Strategic marketing and brand management				B	A
Corporate Governance		C		B	A
Information strategy				B	A
Human resource management				C	A
COST ANALYSIS FOR DECISION MAKING					
Costing					

Topic	Certificate and Professional Levels				Advanced Level
	Management Information	Business, Technology and Finance	Financial Management	Business Strategy and Technology	
Cost classification	A			→	→
Costing systems – direct, marginal, absorption	B			→	→
Activity based costing (ABC)	C			→	B
Break even analysis	B			→	A
Multi-product break even analysis					B
Budgeting and performance management	B			→	A
Pricing					
Pricing decisions	B			A	→
Transfer pricing	B			A	→
Decision making techniques					
Expected values				B	A
Relevant cash flows				B	A
Sensitivity analysis				B	A
BUSINESS AND SHAREHOLDER VALUE					
Valuation Techniques					
Income – dividend yield			B		A
Income – P/E			B		A
Income – discounted cash flow			B		A
Asset based measures			B		A
Options approach					B
Shareholder value					
Value based management (VBM)					B
Value drivers			B		A
Shareholder value analysis (SVA)			B		A
Short and long term growth rates and terminal values					A
Economic profit					A
Cash flow return on investment (CFROI)					A
Total shareholder return (TSR)					A
Market value added (MVA)					A
INVESTMENT APPRAISAL AND RISK ANALYSIS					
Project appraisal					
NPV	B		A		→
IRR	B		A		→
Payback	B		A		→
Relevant cash flows			A		→
Tax and inflation			A		→
Replacement Analysis			A		→
Capital rationing			A		→
Adjusted present value (APV)			A		→
Assessing risk					
Project appraisal and sensitivity analysis			B		A
Project appraisal and simulation			B		A
Expected values			B		A
Scenario planning					A

Topic	Certificate and Professional Levels				Advanced Level
	Management Information	Business, Technology and Finance	Financial Management	Business Strategy and Technology	
Gap analysis				B	→
Continuous vs. event risk				B	→
FINANCIAL ANALYSIS					
Cost of capital					
Cost of equity			B		A
Cost of debt			B		A
Cost of preference shares			B		A
Cost of bank loans			B		A
Weighted average cost of capital (WACC)			B		A
Effective interest rates					A
Splitting convertibles into equity and debt elements					A
Equity instruments					A
Portfolio theory and CAPM					
Portfolio theory			B		A
CAPM			B		A
APT and MCPM					A
CAPM and cost of capital			B		A
International cost of capital					A
Bonds and fixed interest securities					
Bond pricing using NPV					A
Yields to maturity					A
Duration and price volatility					A
Convexity					A
Term structure of interest rates					A
Corporate borrowing and default risk					A
SOURCES OF FINANCE AND FINANCING ARRANGEMENTS					
Short, medium and long term sources of finance		C			A
Loan agreement conditions (warranties; covenants; guarantees)			B		A
Raising capital		C			A
Gearing and capital structure			A		→
Loan agreements and covenants			A		→
Dividend policy			A		→
Financing reconstructions (eg: group reconstruction, spin off, purchase of own shares, use of distributable profits)			B		A
Treasury and working capital management	C				A
Small and medium company financing					B
History of finance					C
FINANCIAL ENGINEERING					
Futures, options and swaps					
Options			B		A
Interest rate futures			B		A
Interest rate options			B		A
Interest forward rate agreements (FRAs)			B		A
Interest rate swaps			B		A

Topic	Certificate and Professional Levels				Advanced Level
	Management Information	Business, Technology and Finance	Financial Management	Business Strategy and Technology	
Foreign exchange					
Currency forward contracts			B		A
Currency money market cover			B		A
Currency options			B		A
Currency swaps			B		A
Operational techniques for managing currency risk			B		A
Theoretical determinants of foreign exchange rates			B		A
Option value					
Value of a call and put option			C		B
Black Scholes option pricing model					B
Binomial Option Pricing Model					B
Real options			C		B

Financial Reporting - IFRS

Topic	Certificate and Professional Level		Advanced Level
	Accounting	Financial Accounting and Reporting	Corporate Reporting
Preface to International Financial Reporting Standards		A	A
Conceptual Framework for Financial Reporting	B	A	A
IAS 1 Presentation of Financial Statements	A	A	A
IAS 2 Inventories	B	A	A
IAS 7 Statement of Cash flows	B	A	A
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	B	A	A
IAS 10 Events after the Reporting Period		A	A
IAS 12 Income Taxes		C	A
IAS 16 Property, Plant and Equipment	B	A	A
IAS 17 Leases		B	A
IAS 19 Employee Benefits		-	A
IAS 20 Accounting for Government Grants and Disclosure of Government Assistance		A	A
IAS 21 The Effects of Changes in Foreign Exchange Rates		C	A
IAS 23 Borrowing Costs		A	A
IAS 24 Related Party Disclosures		B	A
IAS 26 Accounting and Reporting by Retirement Benefit Plans		-	D
IAS 27 Separate Financial Statements		B	A
IAS 28 Investments in Associates and Joint Ventures		B	A
IAS 29 Financial Reporting in Hyperinflationary Economies		-	D
IAS 32 Financial Instruments: Presentation		B	A
IAS 33 Earnings Per Share		C	A
IAS 34 Interim Financial Reporting		-	A
IAS 36 Impairment of Assets		B	A
IAS 37 Provisions, Contingent Liabilities and Contingent Assets	C	A	A
IAS 38 Intangible Assets	C	A	A
IAS 39 Financial Instruments: Recognition and Measurement (Note 2)		-	A
IAS 40 Investment Property (Note 2)		-	A
IAS 41 Agriculture		-	D
IFRS 1 First-Time Adoption of IFRS		-	A
IFRS 2 Share-based Payment		-	A
IFRS 3 Business Combinations		B	A
IFRS 4 Insurance Contracts (Note 2)		-	D
IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations		B	A
IFRS 6 Exploration for and Evaluation of Mineral Resources		-	D
IFRS 7 Financial Instruments: Disclosures		C	A
IFRS 8 Operating Segments		-	A
IFRS 9 Financial Instruments (Note 2)		C	A
IFRS 10 Consolidated Financial Statements		B	A
IFRS 11 Joint Arrangements		B	A

IFRS 12 Disclosure of Interests in Other Entities		B	A
IFRS 13 Fair Value Measurement		C	A
IFRS 14 Regulatory Deferral Accounts		-	C
IFRS 15 Revenue from Contracts with Customers	C	B	A
IFRS 16 Leases (Note 1)		-	C
IFRS 17 Insurance Contracts (Note 1)		-	C
IFRS for SMEs		-	A

Note 1: The mandatory effective dates for IFRS 16 and IFRS 17 are after 1 January 2018 so it is not examinable for the Professional Level 2019 syllabus. Although the mandatory date for IFRS 17 is after 1 January 2018, due to its significance to financial reporting in the insurance industry, it is nonetheless examinable at level A within the Business Planning: Insurance syllabus.

Note 2: Note 2: Business Planning Banking and Business Planning: Insurance cover IAS 39 and IFRS 9 in more detail than in the Financial Accounting and Reporting syllabus at Professional Level. Business Planning: Insurance also covers IFRS 4 and IAS 40 in more detail than in the Financial Accounting and Reporting syllabus at Professional Level.

Taxation

Topic	Certificate and Professional Level		
	Principles of Taxation	Tax Compliance	Business Planning: Taxation
LEGAL AND ETHICAL FRAMEWORK			
Anti-money laundering guidance	C	B	A
Base erosion and profit-shifting project			B
Disclosure of tax avoidance schemes (DOTAS)			A
Extent of tax legislation to England, Wales, Scotland & Northern Ireland		C	B
General anti-abuse rule			A
HMRC	B	→	→
Objectives of taxation	C	→	→
Professional Conduct in Relation to Taxation (PCRT)		C	B
Tax planning, evasion and avoidance	C	B	A
ADMINISTRATION			
Administration	B	→	→
Appeals	C	→	→
Apprenticeship levy		C	→
Digital accounts	B	→	→
PAYE	B	→	→
Payments	B	A	→
Penalties and interest	B	→	→
Self-assessment	B	A	→
CAPITAL GAINS TAX			
Chargeable gains			
Annual exempt amount	B	A	→
Capital gains tax for trusts			B
Chargeable assets	C	B	→
Chargeable disposals	C	B	→
Chargeable persons	C	B	→
Chattels: wasting and non-wasting	B	→	→
Connected persons		A	→
Converted trading losses		B	→
Costs of acquisition and disposal	C	B	→
Leases			A
Nil gain/nil loss transfers		A	→
Part disposals		B	→
Qualifying corporate bonds		B	→
Rate of tax	B	A	→
Relief for capital losses		A	A
Reorganisations and reconstructions			A
Shares and securities (including bonus and rights issues)		B	→
Chargeable gains reliefs			
Entrepreneurs' relief		B	A

Topic	Certificate and Professional Level		
	Principles of Taxation	Tax Compliance	Business Planning: Taxation
Gift relief		B	A
Incorporation relief			A
Letting relief		A	→
Principal private residence relief		A	→
Reinvestment relief under EIS/SEIS			B
Roll-over relief		B	A
Overseas aspects of capital gains tax			
Arising basis		B	A
Deemed domicile		B	A
Domicile		B	A
Double tax relief		A	→
Gains on foreign assets		B	A
Remittance basis		B	A
Residence		C	A
Temporary absence			A
UK taxation of non-domiciled individuals		B	A
INCOME TAX			
Trading profits			
Adjustments to profits	B	A	→
Badges of trade	B	A	→
Capital allowances	B	A	→
Cash basis of accounting	B	A	→
Foreign currency transactions			A
Pension contributions		A	→
Pre-trading expenditure		A	→
Patent royalties			B
Owner-managed businesses			
Basis of assessment – current year basis	B	A	→
Change of accounting date		A	→
Commencement and cessation of trade	B	A	→
Overlap profits	B	A	→
Partnerships	B	A	→
Trading losses		A	→
Treatment of opening year losses		A	→
Treatment of terminal losses		A	→
Employment income			
Allowable deductions against employment income		A	→
Employment income	B	A	→
Share schemes			A
Statutory Mileage Rates Scheme		A	→
Taxable and exempt benefits	B	A	→
Termination payments			B
Other income/expenditure			

Topic	Certificate and Professional Level		
	Principles of Taxation	Tax Compliance	Business Planning: Taxation
Dividends from UK companies	B	A	→
Enterprise Investment Scheme			B
Investment income	B	A	→
ISAs	B	→	→
Lease premiums			A
Miscellaneous income		A	→
Property income	C	B	A
Savings income	B	A	→
Seed Enterprise Investment Scheme			B
Venture Capital Trusts			B
Overseas aspects of income tax			
Arising basis		B	A
Deemed domicile		B	A
Domicile		B	A
Double tax relief		A	→
Income on foreign assets and income from foreign employment		B	A
Remittance basis		B	A
Residence		C	A
UK taxation of non-domiciled individuals		B	A
Income tax computation			
Exempt income	B	A	→
Gifts of assets and cash to charity	B	A	→
Income tax liability and income tax payable	B	A	→
Income tax charge on child benefit		B	→
Independent taxation and jointly owned assets		B	A
Income tax for trusts			B
Limit on income tax reliefs		A	→
Married couples' allowance and marriage allowance	B	A	→
Pension contributions – provisions for retirement		B	A
Pension contributions – tax reliefs		B	A
Personal allowances	B	A	→
Qualifying interest payments		B	→
Rates of taxation	B	A	→
Taxable persons	C	A	→
INHERITANCE TAX			
Fundamental principles of inheritance tax			
Chargeable persons		B	→
Chargeable property		B	→
Excluded property		B	→
Inter-spouse transfers		A	→
Rates of taxation		A	→
Related property		B	→
Seven-year accumulation period		A	→

Topic	Certificate and Professional Level		
	Principles of Taxation	Tax Compliance	Business Planning: Taxation
Transfers of value		A	→
Trusts		C	B
Valuation		A	→
Inheritance tax on lifetime transfers			
Relevant property trusts		A	→
Potentially exempt transfers		A	→
Inheritance tax on death			
Death estate		A	→
Deeds of variation			B
Lifetime transfers		A	→
Overseas aspects of inheritance tax			
Deemed domicile		B	A
Domicile		A	→
Double tax relief		A	→
Lex-situs rules		A	→
Reliefs & exemptions from inheritance tax			
Agricultural property relief		C	B
Annual exemption		A	→
Business property relief		B	A
Fall in value relief		A	→
Gifts to charities and political parties		A	→
Gifts with reservation of benefit			A
Inter-spouse transfers		A	→
Marriage/civil partnership exemption		A	→
Normal expenditure out of income		A	→
Quick succession relief		B	→
Small gifts exemption		A	→
Taper relief		A	→
NATIONAL INSURANCE CONTRIBUTIONS			
Classes of NIC	C	B	→
Directors		B	→
Maximum contributions		C	→
Taxable benefits		B	→
CORPORATION TAX			
Chargeable gains			
Chargeable assets	C	B	→
Chargeable disposals	C	B	→
Chargeable persons	C	B	→
Chattels: wasting and non-wasting	B	→	→
Costs of acquisition and disposal	C	B	→
Indexation	B	A	→
Leases			A
Nil gain/nil loss transfers		A	→

Topic	Certificate and Professional Level		
	Principles of Taxation	Tax Compliance	Business Planning: Taxation
Part disposals		B	→
Purchase of own shares			A
Qualifying corporate bonds		B	→
Relief for capital losses		A	→
Reorganisations and reconstructions			A
Shares and securities (including bonus and rights issues)		B	→
Substantial shareholding exemption		C	A
Trading profits			
Adjustments to profits	B	A	→
Badges of trade	B	A	→
Capital allowances	B	A	→
Foreign currency transactions			A
Long periods of account	C	A	→
Pension contributions		B	A
Patent royalties			B
Taxable total profits			
Chargeable gains	B	A	→
Intangible assets		B	A
Loan relationships	B	B	A
Loan relationships – corporate interest restriction			A
Miscellaneous income	B	A	→
Patent box			B
Property income (including lease premiums)		B	A
Qualifying donations	B	A	→
Research and development expenditure		A	→
Research and development tax credits		B	A
Trading losses		B	A
Trading profits	B	A	→
Use of deficit on non-trading loan relationships		B	A
Corporation tax computation			
Accounting periods	C	B	A
Close companies			A
Corporation tax liability	B	A	→
Distributions		B	→
Diverted profits tax			B
Double tax relief (including underlying tax and withholding tax)		B	→
Liquidation			A
Provision of services through a company			A
Rates of taxation	B	A	→
Residence	C	B	→
Tax treaties and the OECD Model Tax Convention			C

Topic	Certificate and Professional Level		
	Principles of Taxation	Tax Compliance	Business Planning: Taxation
Groups			
Capital gains groups		B	A
Change in group structure			A
Change in ownership			A
Consortium relief			A
Controlled foreign companies			A
Degrouping charges		B	A
Group loss relief		B	A
Group relationships		A	→
Non-coterminous accounting periods			A
Overseas companies and branches			A
Pre-acquisition gains and losses			A
Related 51% group companies		B	A
Roll-over relief		B	A
Transfer of assets		B	A
Transfer pricing			A
STAMP TAXES			
Basic principles		B	→
Chargeable occasions		B	→
Exemptions		B	→
Stamp taxes for groups		B	→
VAT			
Capitals goods scheme		B	→
Classification of supplies		B	→
Distinction between goods and services		C	→
Overseas aspects		A	→
Group aspects		A	→
Input VAT	A	→	→
Output VAT	A	→	→
Partial exemption		B	→
Payments	A	→	→
Penalties and interest	A	→	→
Property transactions		B	A
Registration and deregistration	A	→	→
Single and multiple supplies		B	→
Small business reliefs	A	→	→
Taxable person	A	→	→
Taxable supplies	A	→	→
Transfer of a business as a going concern			A
VAT records and accounts	A	→	→