



ASSOCIATION OF ACCOUNTANCY BODIES IN WEST AFRICA (ABWA)

**ACCOUNTING TECHNICIANS SCHEME, WEST
AFRICA**

**ATSWA REGULATIONS
&
SYLLABUS**

EFFECTIVE SEPTEMBER 2022

PARTICIPATING MEMBER INSTITUTES

**ICAN
NIGERIA**

**ICAG
GHANA**

**LICPA
LIBERIA**

**ICASL
SIERRIA LEONE**

**ONECCA
CAMEROON**

**GICA
GAMBIA**

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FOREWORD

At the 34th Council meeting of the Council of the Association of Accountancy Bodies in West Africa (ABWA) held in Accra Ghana on 16 and 17 January 1997, it was decided that there was need for the formation of Accounting Technicians Scheme for West African sub-region to serve as vehicle for providing a regionally recognised and accepted professional qualifications for the supporting staff of Professional Accountants within the sub-region. This syllabus is the product of the Council's decision.

The ATSWA fulfils a dire need to produce a cadre of middle level manpower within the sub-region required to give effective support and assistance to the professionally qualified Accountant so as to maximize the latter's efforts. The scheme was conceived as a means primarily of upgrading the skill and competence of the numerous middle-level and potential lower grade workers in an accounting office who require such higher skills both to do their work more competently and to enhance their career potential while giving them status. The wisdom and foresight of ABWA Council in developing this scheme is borne out of the tremendous patronage which the similar schemes of some individual member bodies has received in their respective countries.

The syllabus attempts to meet the dual goals of the scheme through the subject structure and coverage. It has also been aligned with the respective syllabi of the member bodies within ABWA currently conducting such examination. The 12-subject-3-level structure examination combines subjects which address purely the knowledge-skill needs of the potential ATSWA graduate (to be known as (AATWA) working in an office with others which are mainly of a theoretical or conceptual nature and therefore serve as a foundation for the higher levels of the Professional Examinations.

In drawing up this syllabus, the ABWA Council was mindful of reciprocity with other major accounting bodies in the UK, America, Canada, etc. The overall objective in this regard is that ultimately, graduates of the scheme would be able to compare favourably with their counterparts elsewhere and thus enjoy reciprocal recognition.

1. INTRODUCTION

The Professional Accountant plays pivotal managerial, advisory and evaluative roles in today's modern business environment. Users of accounting services expect professional accountants to operate to the highest standards of competence, probity and expertise.

The job of Professional Accountants has become more challenging in the face of globalisation, regional integration and advanced technology. In performing these functions, the Professional Accountant requires the assistance of trained and able accounting technicians.

2. PHILOSOPHY OF THE NEW SYLLABUS

The Syllabus has in some significant ways, strengthened the education and training requirements necessary to produce technicians:

- (i) who will play supporting role to the Professional Accountants;
- (ii) whose primary duty will be to maintain the accounting system already designed by Professional Accountants;
- (iii) who may sometimes work independently without supervision;
- (iv) who can adequately meet the needs of the:
 - Public sector (including Local Government and Inland Revenue)
 - Industry, Commerce, and Audit practice; and
- (v) who will be well equipped to advance to the Professional Examination level.

3. OBJECTIVES OF THE SCHEME

The Accounting Technicians Scheme West Africa (ABWA) has the following objectives:

- (i) to provide a recognized qualification for the accounting and auditing staff employed in the public sector, industry, commerce and in the offices of practicing Accountants.
- (ii) to help meet the technicians staffing needs of the economy especially those of various governments and parastatals in accounting areas.
- (iii) to give status to Accounting Technicians.
- (iv) to provide opportunity for the Accounting Technicians to progress towards full qualification as Professional Accountants.

4. **POTENTIAL BENEFICIARIES OF THE SCHEME**

It is believed that the entire economy will benefit from the increased productivity of a well-trained and disciplined work-force. The individual Technician as well as the Organization he/she works for will also benefit.

Specifically, the following are some of the beneficiaries:

- (i) Those holding supervisory accounting positions in Government, Commerce and Industry, Finance and Revenue Departments.
- (ii) Accounts Clerks or supervisors in Government-owned companies and parastatals.
- (iii) Office managers and audit clerks in practicing firms.

5. **BENEFITS OF THE SCHEME**

The benefits of the scheme to the Accounting Technicians include the following:

- (i) Ability to work and move in all types of business organizations and services within the sub-region
- (ii) Possession of a recognized accounting qualification
- (iii) Career development opportunities for those who are already in employment
- (iv) Exemption from some of the Professional Examination Papers of member bodies' Institutes and those of other professional bodies.

6. **ENTRY REQUIREMENTS**

Entry requirements vary from country to country and each country specific requirements are available on the respective website as well as ABWA websites. Kindly visit the website of ABWA and/or the country you are interested in. You may please peruse the website addresses as listed below:

S/N	COUNTRY	WEBSITE
1.	The Institute of Chartered Accountants of Nigeria (ICAN)	www.icanig.org
2.	The Institute of Chartered Accountants (Ghana) (ICAG)	www.icagh.com
3.	Liberia Institute of Certified Public Accountants (LICPA)	www.licpa.com
4.	The Institute of Chartered Accountants of Sierra Leone (ICASL)	www.ica-sl.org
5.	The Gambia Institute of Chartered Accountants (GICA)	www.gaa.gm
6.	Ordre National Res Experts Comptables du Cameroun (ONECCA)	www.onneca.cm

7. REGISTRATION FOR STUDENT MEMBERSHIP

Candidates who wish to write the ATSWA examinations must first register as students under the scheme. Application for registration may be made on-line or on the prescribed form of the member-body in order to qualify for eligibility to enter for the subsequent examinations. The annual subscription for successful applicants becomes payable immediately upon registration for year of registration and thereafter on 1st January of each year of registered Studentship.

8. PRIVILEGES OF STUDENTS

Students may use the Students' Library located at the Secretariats of the member body. Students may take part in activities such as lectures and seminars or symposia organized by the local accountancy body.

9. PRACTICAL EXPERIENCE

Students are expected to gain practical experience either in a professional practicing firm or in the accounting department of any recognized organization in industry, commerce and public sector.

10. MEMBERSHIP

On successful completion of ATSWA examinations, graduates of the scheme shall be inducted into membership and designated AATWA.

11. PROGRESSION TO THE PROFESSIONAL EXAMINATIONS

Candidates who have completed the examinations under the scheme may register for the Professional Examinations of local accountancy body and shall be granted exemption in line with exemption policy of the member body.

12. EXAMINATION

i Examination Date

The examinations will be taken in March and September of each year. The registration for the March examinations closes on 24th March and registration for the September examination closes on 24th September. The examination will be opened only to students registered under the scheme. It will be in three parts. Each part shall consist of four papers. Candidates shall take one part at a time and in a sequential order (i.e. Part I, Part II, and Part III).

ii Credit and Referral System

Parts I & II

Candidates are to sit for all the four papers in parts I and II and will be credited with any paper passed. Credits will also be given for any of the outstanding papers as they are passed.

Part III

Candidates are to sit for all the four papers in this part and pass at least two subjects before credit can be given. Credits will be given for any of the remaining papers passed at any subsequent sitting.

Candidates must pass all the subjects at that part of the examination within six consecutive diets i.e three consecutive years; **otherwise, all credits granted will be cancelled.**

Candidates are not allowed to combine two levels of the examinations.

iii Centres

The examinations are held at the designated centres in member countries. At the discretion of ABWA Council, examinations may be arranged at other centres.

13. PUBLICATIONS

Each member Institutes shall produce the following publications for the benefit of students:

- (a) Members' Journal
- (b) Student Newsletter
- (c) Past Questions and suggested Answers
- (d) Pilot Questions and Answers, each time the syllabus is reviewed.
- (e) Study Packs in hard and soft copies

14. SECRETARIAT

The ABWA Council's Secretariat is located at:

Akintola Williams House

Plot 2048, Michael Okpara Street Off

Olusegun Obasanjo Way Zone7,

P.O. Box 7726,

Wuse District Abuja,

Nigeria

Tel: +2347054015829

Website: www.abwa-online.org

E-mail: abwa_secretariat@yahoo.com/info@abwa-online.org

All enquiries should be directed to the Executive Secretary

15. STRUCTURE OF THE SYLLABUS

The syllabus has a three-part structure with twelve subjects as follows:

Part I

- 1.1 Basic Accounting
- 1.2 Economics
- 1.3 Business Law
- 1.4 Communication Skills

Part II

- 2.1 Financial Accounting
- 2.2 Public Sector Accounting
- 2.3 Quantitative Analysis
- 2.4 Information Technology

Part III

- 3.1 Principles of Auditing & Assurance
- 3.2 Cost Accounting
- 3.3 Taxation
- 3.4 Management

16. EXAMINATION TIME-TABLE

Examinations on the basis of this new syllabus will commence in September 2022 Diet

	TIME	PART I	PART II	PART III
TUESDAY	08:30-11:30 HRS GMT	Basic Accounting	Financial Accounting	Principles of Auditing & Assurance
	13:30-16:30 HRS GMT	Business Law	Information Technology	Management
WEDNESDAY	08:30-11:30 HRS GMT	Economics	Public Sector Accounting	Cost Accounting
	13:30-16:30 HRS GMT	Communication Skills	Quantitative Analysis	Taxation

17. ABSENCE FROM AN EXAMINATION

Examination entries cannot be withdrawn after the closing date in any circumstance. The fees

paid for an examination will not be refunded or transferred to subsequent examination if a candidate is unable to attend the examination.

18. MISCONDUCT IN AN EXAMINATION

The examination regulations prohibit a student from:

- taking into the examination room or possessing, while in that room, any book, note, programmable calculators, electronic devices, wrist watches of any kind or other materials except those which have been authorised in the Examination Attendance Docket;
- aiding or attempting to aid another candidate or obtaining or attempting to obtain aid from another candidate;
- refusing to obey any instruction from the Examination Supervisor or Invigilators;
- giving false or misleading information to the Examination Supervisor;
- Writing anything on the question paper except the candidate's examination number and
- Writing anything on the candidate's examination docket.

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

Any Student who fails to comply with the above regulations may be liable to such penalties as the ABWA Council may determine.

19. EXAMINATION RESULTS

The result of the examination will be communicated by post to each candidate and will also be made available on the websites of member-bodies and that of ABWA. Further correspondence relating to individual results may not be entertained.

20. EXEMPTION GUIDELINES

EXEMPTIONS IN THE ATSWA SYLLABUS ARE AS OUTLINED BELOW:

QUALIFICATION	EXEMPTION
(i) OND (Accountancy)	All subjects in Parts I and II.
(ii) OND /NCE(Financial Studies/ Banking & Finance	All subjects in Part I and Principles and Practice of Financial Accounting in Part II
(iii) NCE (Accountancy)	All subjects in Parts I and II.
(iv) OND/NCE (Business Studies/ Business Admin.)/ DBS Accounting	All subjects in Part I except Business Law.
(v) AAT (UK)/CAT(UK)	All subjects in parts I, II and III except Business Law, Public Sector Accounting and Preparing Tax Computations and Returns
(vi) OND/NCE Statistics	Quantitative Analysis Only
(vii) Qualifications from other recognized Professional Bodies	Subject by Subject exemption in Parts I and II only
(viii) OND of Monotechnics offering Accounting related courses	All subjects in Part I and subject by subject exemption in Part II
(ix) OND/NCE Computer Science	Information Technology only
(x) OND/NCE Insurance	Quantitative Analysis only
(xi) OND/NCE Marketing	Economics only
(xii) Diploma in Public Accounting	All subjects in Part 1 only
(xiii) Diploma in Accounting (University)	All subjects in Part 1 only
(xiv) Advanced Diploma in Accounting (University)	All subjects in Part I and Part II only
(xv) OND(Petroleum Marketing & Business Studies	- Business Law only)

PART I

PAPER 1: BASIC ACCOUNTING

Aim:

The aim of this paper is to arouse candidates' interest in skills required for accounting processes for recording and reporting information through the use of manual and computerised accounting systems.

Objectives

On completion of this paper candidates should be able to:

- a. Identify and explain the nature, principles and scope of accounting and its role in the management of a business entity;
- b. Identify the source documents as evidence of transactions and relate them to appropriate books of original entry;
- c. Post into ledger accounts, balance off and extract a trial balance;
- d. Identify errors and effect corrections;
- e. Maintain cashbook and prepare bank reconciliation statements;
- f. Adjust for transactions and events affecting financial statements;
- g. Prepare single financial statements;
- h. Prepare employee payroll; and
- i. Appreciate the use of information technology in processing accounting information.

Structure of the paper:

The paper is a three-hour paper divided into two sections:

- Section A (50 Marks):** This shall consist of 50 compulsory question made up of 30 Multiple-choice questions and 20 short answer questions covering the entire syllabus.
- Section B (50 Marks):** Six questions of which, candidates are expected to attempt any four at 12.5 marks each.

Contents

10%

1. Nature and general framework of accounting
a) Nature and significance of accounting
 - i. Explain briefly historical development of accounting.
 - ii. Define and state the objectives of accounting.
 - iii. Explain the purpose of accounting.
 - iv. State the qualitative features of accounting
 - v. State the principles of coding.
 - vi. Identify types of accounts.
 - vii. Identify the users of financial statements and their information needs.
 - viii. Explain the range of accountant's services to an organisation.
 - ix. State the role of accounting in the economy.
 - x. Explain the ethical issues in accounting.
- b) Regulatory environment of accounting**
 - i. Explain the roles of the International Accounting Standards Board (IASB).
 - ii. State the functions of the relevant Financial Reporting bodies.

2. **Forms and structures of business entities** 10%
- a) Define the characteristics of business entities.
 - b) State the registration process and documentation of business entities.
 - c) State the characteristics of sole proprietorship, partnership and limited liability company.
 - d) Compare sole proprietorship, partnership and limited liability company.
 - e) State the characteristics, advantages and disadvantages of public sector entities.
3. Accounting concepts and conventions 10%
- Explain the following concepts and conventions:
- a) Entity concept;
 - b) Going concern;
 - c) Money measurement;
 - d) Consistency;
 - e) Prudence;
 - f) Materiality and aggregation;
 - g) Accrual/matching;
 - h) Objectivity/fairness;
 - i) Historical cost convention;
 - j) Fair value basis;
 - k) Periodicity;
 - l) Offsetting; and
 - m) Relevance and faithful representation
4. **Accounting processes** 20%
- a) State the main accounting source documents and their uses, for example, quotation, sales and purchase order, delivery note, invoice and pro-forma invoice, credit note, debit note, remittance advice, receipt, pay slip, payment voucher, goods received notes, cheque counterfoils, bank statements, etc.
 - b) Explain the following books of original (prime) entries or day books:
 - i. Purchases day book;
 - ii. Sales day book;
 - iii. Purchases return or returns outward book;
 - iv. Sales returns or returns inward book;
 - v. Cash book (single, two-column and three-column);
 - vi. Petty cashbook and control measures; and
 - vii. Journal and its uses.
 - c. Explain trade and cash discount
 - d. Explain the following in relation to cash transaction
 - i. cash including techniques
 - ii. cash securities
 - iii. cash control

- e. State the principles and practice of double entry bookkeeping in relation to the following:
 - i. **Accounting equations;**
 - ii. Ledgers and their classifications;
 - iii. Postings by means of double entry; and
 - iv. Balancing-off ledger accounts.
- f. Trial balance
 - i. Define and state the purposes of extracting a trial balance.
 - ii. Explain extended trial balance.
 - iii. State the usefulness and limitations of trial balance.
 - iv. Identify and explain errors not affecting the agreement of the trial balance.
 - v. Identify and explain errors that affect the agreement of the trial balance.
 - vi. Explain how journal can be used to correct errors.
 - vii. Explain the use of suspense accounts.
 - viii. Explain the effect of errors on profits or losses.
- g. Accounting for non-current assets (property, plant and equipment)
 - i. State the types and characteristics of non-current assets.
 - ii. Explain the classification of expenditure into capital and revenue items and the importance of their distinction.
 - iii. Explain the accounting for depreciation and disposal of non-current assets using straight-line and reducing balance methods only.
 - iv. Prepare non-current assets register
 - v. Explain assets coding
- h. Simple adjustments affecting financial statements
 - i. Calculate allowances for irrecoverable and doubtful receivables.
 - ii. Calculate allowances for discounts on trade receivables.
 - iii. Identify and calculate accruals and prepayments.
 - iv. Explain accounting for goods and cash drawings.
 - v. State the differences between current and non-current liabilities.
 - vi. Explain accounting for inventories.

5. Control accounts

15%

- a. Receivables and payables control accounts
 - i. Prepare receivables and payables ledger control accounts.
 - ii. Prepare suppliers' **and customers'** statements and reconciliation with ledger accounts.
 - iii. State the purpose of suppliers' and customers' statements of accounts.
- b. **Banking systems, services and reconciliations**
 - i. State types of bank accounts.
 - ii. Explain the procedure for banking of monies received and documentation, for example, paying-in slip, credit and debit cards.
 - iii. Explain funds transfers and forms.
 - iv. State the methods of handling and storing money, including security aspects.

- v. Explain interbank transfer, settlements and clearing rules.
- vi. Prepare adjusted cashbook.
- vii. Prepare bank reconciliation statement.
- viii. Prepare manual and on-line bank reconciliation statements

6. Payroll accounting **10%**

- a. State the importance of payroll accounting.
- b. Explain the procedure of preparing payroll and payslips
- c. Identify and calculate incentive payment schemes.
- d. State types of payroll systems.
- e. Calculate gross earnings, deductions ,net payments and prepare payslips
- f. Record payroll transactions, journal preparation and postings to normal ledger.

7. Preparation of simple financial statements **15%**

- a. Prepare statement of profit or loss and statement of financial position of sole traders with simple adjustments.
- b. Prepare simple manufacturing accounts.
- c. Prepare simple incomplete records and single entries.
- d. Prepare accounts for not-for-profit entities.

8. Computerised accounting systems **10%**

- a. State the features of computerised accounting systems.
- b. State the forms and functions of accounting records in computerised accounting systems.
- c. Identify useful tools to access, input and edit accounting information.**
- d. Differentiate between manual and computerised accounting systems.
- e. State the advantages and disadvantages of computerised accounting systems.
- f. State types of accounting packages and their uses.

Applicable Accounting Standards

- IAS 1: Preparation of Financial Statements
- IAS2: Inventories
- IAS 16:Property, Plant and Equipment (PPE)

Recommended Texts

- | | | |
|----|--------------------------------------|---|
| 1. | ATSWA Study Pack on Basic Accounting | |
| 2. | ICAN Study Pack | Fundamentals of financial Accounting |
| 3. | Ajileye J.O and Adetifa | Get your Financial Accounting Right, Books 1 and 2, Hadlley, Lagos |
| 4. | Akinduko A.O | Basic Accounting, Spetin Akure, Nigeria |
| 5. | Appiah-Mensah, K.B | Principles of Accounting |
| 6. | Anao, A.R | An introduction to Financial Accounting, Longman |
| 7. | Igben, R. O. | Financial Accounting made simple (Vol 1 & 2) ROI Publishers, Lagos. |
| 8. | Jennings, A | Financial Accounting 1 & 2 (McgrawHill) |

PAPER 2: ECONOMICS

Aim

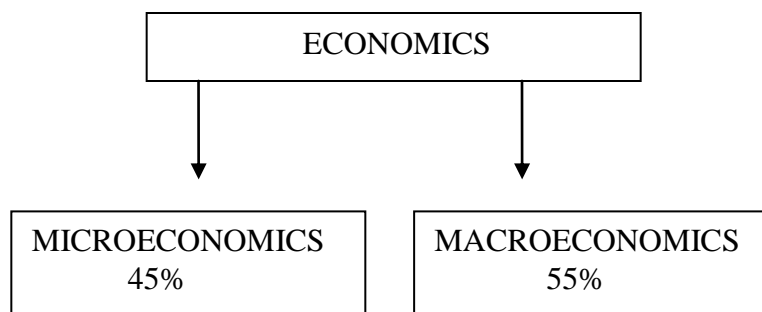
The aim of this paper is to develop candidates' knowledge and understanding of basic principles and practice of economics required of an Accounting Technician to function efficiently and effectively as a member of an organisation in a dynamic and competitive global economy.

Objectives

At the end of this course, candidates should be able to know and understand:

- a. Basic economic concepts and principles in the analysis of economic issues;
- b. The features of the general economic environment in which economic agents (e.g individuals, firms and government) operate;
- c. The basis for rational economic decisions by economic agents;
- d. The activities of regional and international organisations and their impact on the domestic economy of member countries; and
- e. The increasing inter-connections among nations of the world and their economic implications.

General relationship diagram



Structure of the paper

The three-hour paper will be divided into three sections:

Section A (50 Marks): This shall consist of 50 compulsory questions made up of 30 multiple-choice questions (MCQ) and 20 short answer questions (SAQs) covering the entire syllabus.

Section B (25 marks): Microeconomics: This shall consist of three questions, out of which candidates are expected to attempt any Two, each attracting 12¹/₂ marks.

Section C: (25 marks) Macroeconomics: This shall consist of three questions, out of which candidates are expected to attempt any Two, each attracting 12¹/₂ marks.

Contents

Section A: Microeconomics

1. **The nature and scope of Economics and the economy** **5%**
 - a. State the definition and scope of Economics.
 - b. Explain the basic economic concepts: economy, 'scarcity', 'choice', scale of preference, opportunity cost; and production possibilities curve (PPC).

- c. Differentiate between microeconomics and macroeconomics.
- d. Identify basic economic problems, of society: ‘what to produce’, ‘how to produce’ and for whom to produce.
- e. Explain the types, features and functions of the following economic system:
 - i. Capitalist economic system;
 - ii. Socialist economic system; and
 - iii. Mixed economic system
- f. Explain methodology of Economics with the following pairs of concepts:
 - i. Inductive and deductive methods; and
 - ii. Positive and normative Economics.

2. **Theory of value**

- a. Explain the concepts of demand and supply. **10%**
- b. Identify the determinants of demand and supply, and explain the demand and supply functions, using relevant schedules, diagrams and equations.
- c. Explain and illustrate the concept of the equilibrium price and quantity.
- d. Determine the consumer’s and producer’s surplus (using demand and supply diagrams);
- e. Differentiate between changes in quantity demanded/supplied and changes in demand/supply.
- f. Identify exceptions to the laws of demand and supply and the causes of changes identified in the market situations.
- g. Explain the applications of demand-supply diagrams to:
 - i. Price control; and
 - ii. Minimum wage legislation.
- h. Explain, determine, evaluate and interpret identified types of elasticity of demand and supply in relation to the following:
 - i. Price elasticity of demand;
 - ii. Price elasticity of supply;
 - iii. Income elasticity of demand; and
 - iv. Cross-price elasticity of demand.
- i. Explain the applications of price elasticity of demand to incidence of tax.

3. **Theory of consumer behaviour**

5%

- a. Explain the basic concepts of the theory of consumer behaviour under the marginal utility and the indifference curve approaches.
- b. Calculate and demonstrate graphic illustrations of the total and marginal utility using these to prove the law of demand.
- c. Demonstrate the graphical illustration of indifference curve – budget line to prove the law of demand.

4. **Theory of production** **15%**
- a. Explain the concept of production and its types.
 - b. Explain the factors of production and their rewards.
 - c. Explain the meaning of division of labour, its advantages, disadvantages and limitations.
 - d. Differentiate between location of industry and localisation of industries
 - e. Explain the meaning, advantages, disadvantages, and factors that determine location of an industry.
 - f. Explain the following forms of business organisation:
 - i. Sole partnership;
 - ii. Partnership;
 - iii. Private limited companies;
 - iv. Public limited companies; and
 - v. Public corporation.
 - g. Explain the concepts of privatisation, commercialisation, nationalisation and deregulation.
 - h. Define production function; and explain, calculate and illustrate - total product, marginal product and average product, using hypothetical data.
 - i. Explain the terms – economic rent, quasi rent and transfer earnings.
 - j. Explain the short run and long run product and cost concepts.
 - k. State and illustrate the laws of diminishing returns and returns to scale.
 - l. Differentiate between ‘economies of scale’ and ‘diseconomies of scale’.
 - m. Define, calculate and illustrate the following cost and revenue concepts:
 - i. Total cost;
 - ii. Average cost;
 - iii. Marginal cost;
 - iv. Average revenue; and
 - v. Marginal revenue
 - n. Explain profit determination using revenue-cost schedules and equations.

5. **Market structure and pricing**
- a. State the meaning and features of the following types of market structure:
 - i. Perfect competition;
 - ii. Monopoly;
 - iii. Duopoly;
 - iv. Oligopoly; and
 - v. Monopolistic competition
 - b. Explain the short run and long run price and output determination under various types of market structure.
 - c. Differentiate between the concepts of product differentiation and price discrimination.
 - d. Identify the sources and control of monopoly power.
 - e. Differentiate between the concepts of merger and acquisition.
 - f. Explain the types, advantages and disadvantages of mergers and acquisitions.

Section B Macroeconomics

6. **National income** **10%**
- a. Explain the following basic national income accounting concepts and their computations:
 - i. Gross domestic product (GDP);
 - ii. Gross national product (GNP);
 - iii. Net national product (NNP);
 - iv. National Income (NI);
 - v. Personal income (PI); and
 - vi Personal disposable Income (PDI)
 - b. Explain the methods of computing national income. (i) Output/product method, (ii) Income method, and (iii) Expenditure method.
 - c. Identify circular flow of income.
 - d. Identify problems associated with national income measurement and explain the uses and limitations of national income estimates.
 - e. Explain factors influencing the size of national income.
 - f. Determine the multiplier and the multiplier effects of changes in national income.
 - g. Explain the accelerator theory.
 - h. Determine the equilibrium national income using the aggregate demand-aggregate supply and leakages-injections approaches.
 - i. Explain, illustrate and compute full employment national income, inflationary gap and deflationary gap.
7. **Money and banking** **10%**
- a. Explain the meaning, functions, characteristics, types and nature of money.
 - b. Explain the concepts of demand for money, supply of money and the quantity theory of money. (Irvin Fishers version).
 - c. State the functions of different financial institutions in a developing economy.
 - d. State types of payment system.
 - e. Explain money and capital markets; and their instruments.
 - f. Explain the meaning, identify the instruments and targets of monetary policy.
8. **Fundamentals of public finance** **10%**
- a. Identify the meaning, sources and types of government revenue and government expenditures.
 - b. State the factors that explain increase in government expenditures in West Africa sub region.
 - c. Identify elements and explain principles, classification and uses of taxation
 - d. State the types and explain the role of national budgets in an economy.
 - e. Explain the meaning and state types and sources of public debt.
 - f. Explain the meaning, identify the instruments and targets of fiscal policy.
9. **Inflation and unemployment** **5%**
- a. Explain the meaning and identify types, causes effects and control of inflation.
 - b. Explain the meaning and identify types, causes, effects and control of

- unemployment.
- c. State and explain episodes of inflation and unemployment in West Africa.

10. International trade and finance **10%**

- a. Differentiate between internal trade and international trade.
- b. State the reasons for international trade.
- c. Explain the following theories of trade:
- i. Theory of absolute advantage; and
 - ii. Theory of comparative cost advantage.
- d. Outline the advantages and disadvantages of international trade.
- e. Explain the concepts of ‘terms of trade’, ‘balance of trade’, and ‘balance of payments’.
- f. Identify the instruments of trade barriers.
- g. Explain the cases for and against trade protection.
- h. Explain the meaning of foreign exchange, foreign exchange rates, foreign exchange markets and foreign exchange systems with relevant examples
- i. Distinguish among the following concepts – currency devaluation, currency revaluation, depreciation and appreciation.
- j. Explain and illustrate changes in the foreign exchange market.
- k. State the meaning and identify the drivers, advantages and disadvantages of globalisation.

11. International and regional organisations **5%**

- a. State the objectives, functions, achievements and problems of the following organisations:
- i. The World Bank Group;
 - ii. International Monetary Fund (IMF);
 - iii. The African Development Bank Group (A/DB);
 - iv. The Economic Community of West African States (ECOWAS);
 - v. African Continental Free Trade Area (ACFTA);
 - vi. Organisation of Petroleum Exporting countries (OPEC);
 - vii. United Nations Conference on Trade and Development (UNCTAD);
 - viii. General Agreement on Trade and Tariff (GATT); and
 - ix. World Trade Organisation (WTO);
- b. Explain the following levels of economic integration
- i. Free trade area;
 - ii. Customs unions
 - iii. Common market; and
 - iv. Economic union

12. Economic growth and development **5%**

- a. Explain the meaning and determinants of economic growth.
- b. Explain the meaning and features of economic development.

- c. Outline the sustainable development goals (SDGs).
- d. Highlight common characteristics of developing countries.
- e. Explain the meaning of development planning.
- f. Highlight the objectives, types and problems associated with development planning in West Africa sub region.

Recommended texts

1. ATSWA Study Pack on Economics
2. Adebayo Ademola (2014): Economics: A Simplified Approach Volumes 1 & 2
3. Umo J. U. (1986) Economics An African Perspective.
4. Nkoom J. C (2006): Money Economics in Ghana

PAPER 3: BUSINESS LAW NIGERIA

Aim

To examine candidates' knowledge and understanding of the legal environment in which organisations in general and the accountancy profession in particular operate as well as the laws on different business relationships.

Objectives

On completion of this paper, candidates should:

- a. Know the structure, jurisdiction and functions of the legal systems and the rules applicable to them;
- b. Have a working knowledge of the general principles of contract to aid their daily accounting activities;
- c. Be familiar with the legal rules governing specific contracts;
- d. Be able to distinguish between the various forms of business associations and be conversant with the main rules governing their operations;
- e. Be able to identify and appreciate the respective duties of bankers and customers as well as recognise the nature of negotiable instruments; and
- f. Be able to apply the principles of law to simple case studies.

Structure of paper

The paper will be a three-hour paper divided into two sections:

Section A (50 Marks): This shall consist of 50 compulsory questions made up of 30 multiple-choice questions and 20 short answer questions covering the entire syllabus.

Section B (50 Marks): Six questions, out of which, candidates are expected to answer any four, at 12¹/₂ marks each.

Contents

1. **The legal system and court system** **15%**
 - a. **Sources of law**
 - i. Explain the constitution and its characteristics
 - ii. Explain Received English Law - Common Law, Doctrines of Equity (emphasis on maxims) and Statutes of General Application.
 - iii. Explain judicial precedent, statutes and their enactment, customary law, and international law such as treaties, conventions, protocols.
 - b. **The legal and court system**
 - i. Outline the structure and hierarchy of courts.
 - ii. State the composition and jurisdiction of the various courts.
 - iii. Explain special courts and tribunals.
 - iv. Distinguish between law and ethics.

c. Forms of legal liability

- i. Distinguish between criminal and civil liability.
- ii. Explain torts and their types
- iii. Explain vicarious liability.
- iv. Explain negligence and its consequences.

2. Law of contract

20%

- a. Explain contract and its essential elements: offer, acceptance, consideration, intention to create legal relations, capacity and consent.
- b. Explain privity of contract and its exceptions.
- c. Explain terms of a contract (conditions, warranties) and exemption clauses.
- d. Explain illegal and void contracts.
- e. Explain factors that vitiate contracts.
- f. Explain termination or discharge of contracts and remedies for breach of contract.
- g. Explain e-contract.

3. Special contracts

25%

a. Agency

- i. Explain creation and types of agency.
- ii. Explain authority of agents
- iii. Explain the rights and duties of principal and agent.
- iv. Explain termination of agency.

b. Sales of goods

- i. Define and classify goods.
- ii. Differentiate between sale of goods and other contracts.
- iii. Explain implied terms.
- iv. Explain the *caveat emptor* doctrine.
- v. Explain transfer of title, passing of risk, and the *nemo dat quod non habet* rule.
- vi. Explain breach of sale of goods contract and remedies of the parties.
- vii. Explain the rights and duties of buyers and sellers.

c. Hire purchase and equipment leasing

- i. Define hire purchase and explain the formalities under the Common Law and the Hire Purchase Act.
- ii. Explain implied and void terms.
- iii. State the rights and obligations of the parties.
- iv. Explain termination of hire purchase contract.
- v. Explain operating and finance leasing.

d. Contract of employment

- i. Explain the nature and formation of employment contract.
- ii. State the rights and duties of the parties.
- iii. Explain termination of employment and dismissal.
- iv. Explain the remedies for breach of contract.

v. Explain redundancy.

e. Insurance

- i. Define and classify insurance contract.
- ii. State the minimum share capital requirements of insurers.
- iii. Explain the following concepts and principles: insurable interest, premium, indemnity, materiality of information, utmost good faith, conditions and warranties, subrogation and contribution.

4. **Law of business associations** 25%

a. Partnership

- i. Explain partnership and its elements.
- ii. Explain types and attributes of partnership (general partnership limited partnership, and limited liability partnership).
- iii. Explain the procedure for management of a partnership including the rights and duties of partners, their relationship *inter se* and with third parties.
- iv. Explain the attributes of a limited partnership and a limited liability partnership
- v. Explain limited partnership and limited liability partnership accounts and audit, annual returns, as well as assignability of partners' interest.
- vi. Explain investigation and litigation in limited liability partnership as well as criminal proceedings by the Attorney-General of the Federation.
- vii. State the statutory requirements for operation of a foreign limited liability partnership.
- Viii Explain winding up and dissolution of partnership.

b. Companies

- i. State the composition and functions of the Corporate Affairs Commission.
- ii. Explain the Administrative Committee of the Corporate Affairs Commission and state its functions as well as procedures.
- iii. Explain the types of company, including single shareholder and small company as well as their implications.
- iv. Explain the procedure for incorporation of a company, documents of incorporation, and replacement of statutory declaration with statement of compliance with requirements of incorporation.
- v. Explain pre-incorporation contracts as well as promoters and their duties
- vi. State the contents of memorandum and articles of association and how they can be amended.
- Vii Explain the procedures for issue of and transmission of shares and debentures (corporate bonds).

- vii. Explain the ways in which the capital of a company is maintained or preserved including the laws relating to acquisition of own share by company as well as distribution of profits.
- ix. Explain the appointment, powers, duties, and removal of directors.
- x. State the minimum number of non-executive and executive directors (in applicable situations).
- xi. State the law on company secretary's appointment, qualifications, status, and removal.
- xii. State briefly the law on company meetings (statutory meeting annual general meeting, and extraordinary general meeting)to include:
 - Notices and resolutions;
 - Right to receive notice, attend, and requisition meeting
 - Voting, companies that need not hold annual general meeting; and
 - Authority of private company and small company to hold virtual meeting.
- xiii. State the law on the appointment, qualifications, rights, duties and removal of company auditors.
- xiv. Explain the rationale for administration of companies as well as appointment and functions of the administrator.
- xv. Explain arrangement, compromise, netting and winding-up (in outline).
- xvi. Define mergers and its types under the Federal Competition and Consumer Protection Act, 2018.

c. Others

- i. State the conditions and requirements for registration of business names as well as incorporated trustees.
- ii. Define collective investment scheme and its types.
- iii. Explain Alternative Dispute Resolution (ADR) mechanisms and state their advantages.

5. Banking and negotiable instruments 10%

- i. Explain the legal relationship between a banker and customer and state their respective duties and rights.
- ii. State the meaning and characteristics of negotiable instruments.
- iii. Explain bills of exchange, cheques and promissory notes.
- iv. Explain crossing of cheques.
- v. Explain holder, holder for value and holder-in- due-course.
- vi. State the rights and duties of the parties to a negotiable instrument.

6. Law of trusts 5%

- i. Explain trusts and the parties thereto.
- ii. Distinguish between private trust and public trust.
- iii. Explain the types and uses of public trust.
- iv. State the duties, powers and rights of trustees (including investment powers under Trustee Investment Act).

Recommended texts

1. ATSWA Study Pack on Business Law
2. Companies and Allied Matters Act , 2020
3. Federal Competition and Consumer Protection Act, 2018
George Etomi (2014) -*An Introduction to commercial Law in Nigeris: Texts cases*
and materials, MIJ Professional Publishers, Lagos
4. Obilade, A.O. - *The Nigerian Legal System*, Spectrum books,
Ibadan.

**PAPER 3: BUSINESSLAW
GHANA**

AIMS

To examine candidates' knowledge and understanding of:

- the legal environment and framework in which organizations in general and the accountancy profession in particular operate;
- the legal implications of business relationships and the relevance of legal rules to business sector, commerce and industry; and
- strategies that organisations must adopt to comply with established laws and regulations

OBJECTIVES:

On completion of this paper, candidates should:

- a) Identify and explain the essential elements of the legal system, including the main sources of law and fundamental human rights issues relating to business;
- b) Have a working knowledge of the general principles of contract to aid their daily accounting activities;
- c) Be familiar with the appropriate legal rules relating to the law of obligations;
- d) Be able to identify and appreciate the respective duties of parties in sale of goods, hire purchase agreements and recognize the nature of negotiable instruments as may be suitable for use in business
- e) Distinguish between alternative forms and structure of business organisations;
- f) Describe and explain how companies are managed, administered and regulated.

STRUCTURE OF THE PAPER

The paper will be a three-hour paper divided into two sections:

Section A (40 Marks): This shall consist of 50 compulsory questions made up of 30 multiple-choice questions and 20 short answer questions covering the entire syllabus.

Section B (60 Marks): Six questions, out of which, candidates are expected to answer any four, at 12¹/₂ marks each.

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

Syllabus coverage		Weighting (%)
A	The Legal System	20
B	Law of Contract	20
C	Rules on Laws of Obligation	20
D	Commercial Law	20

E	Law of Business Association	20
Total		100

7. **The Legal System**20%

(a) **Sources of Law:**

- The Constitution –Supremacy, Fundamental Human Rights
- Acts of Parliament - Statutes, Separation of Powers, Rules of Law
- Subsidiary Legislation
- Existing laws and
- Common law of Ghana (i.e. Common Law, doctrines of Equity, & Customary Law)

(b) **The Court System:**

- Outline of the structure and hierarchy of courts;
- Composition and jurisdiction of the various Courts.
- Special courts
- Judicial Precedent

(c) **Types of Law:**

- Civil law – Introduction to Law of Tort
- Criminal law– Presumption of Innocence, *Mens Rea* and *Actus Reus*
- Administrative Law – Due Process, Professional Ethics,
- Legal Liabilities - Distinction between criminal and civil liability

Law of Contract

20%

- Contract formation:
 - Essential elements of a valid contract (offer, acceptance, consideration, intention to create legal relations, capacity and consent).
 - Privity of contract and its exceptions.
 - Illegal contracts
- Contract terms and expressions –
 - Conditions, Warranties, Mistake and Misrepresentation
 - Exclusion Clauses
 - Disclaimer
- Contract breach and remedies
 - Vitiating factors
 - Discharge of contracts
 - Remedies for breach of contract.

Rules relating to Laws of Obligation20%

Law of Tort

- Due Care and Negligence
- Injury and remoteness of damage
- Vicarious liability - The rule in Rylands and Fletcher
- Negligent misstatements and defences to actions in negligence

(d) Agency and Trust:

- Creation and types of agency,
- Authority of agents;
- Rights and duties of principals and agents;
- Termination of agency

• Law of Trust:

- Introduction to law of trusts
- Types of Trust - Private Trust and Public Trust.
- Distinction between Trust and Agency

•

Law of

Employment

- Nature and formation.
- Rights and Duties of the parties.
- Termination and Dismissal.
- Remedies for breach of contract. Redundancy.

8. Commercial law20%

(a) Sale of Goods

- Types of goods – Specific and Unascertained goods
- Implied terms - the Caveat Emptor Doctrine.
- Transfer of property, title and risk – Nemo Dat Quod Non Habet rule.
- Rights, Duties of buyers and sellers.
- Breach of contract for sale of goods and Remedies of the parties

(b) Hire Purchase and Leasing

- Formalities relating to Hire Purchase Agreements
- Operating and Finance Leasing.
- Conditional Sale, Protected Goods and Rights to recover possession in HP contract.
- Rights and Obligations of the parties.
- Termination of Hire Purchase contract.

• Banking and Negotiable Instruments

- Meaning and characteristics of Negotiable Instruments.

- Specific terms - bills of exchange, drawer, drawee, holder for value, holder in due cause, special/general crossings, cheques, promissory notes - government promissory notes, cheques
- The Relationship, Rights and Duties of Parties

(c) **Insurance:**

- Classifications and types of insurance covers
- Risks and Insurance
- Concepts and principles– insurable interest premium, claims and issues, professional indemnity, materiality of information, utmost good faith, conditions and warranties, etc.

9. **Law of Business Organisations20%**

(a) **Formation and structures of business organisations**

- Legal distinctions between sole proprietorship, partnerships and companies
- Requirements for registration of Businesses, Role of Registrar of Companies
- Partnership: Formation types and determination of partnership existence. Authority, rights and duties of partners inter se. Dissolution of partnership.
- Companies: Types of companies under the Companies Act 2019 (Act 992). The role and duties of company promoters; process and consequences of incorporation; effect of separate legal personality and the veil of incorporation of companies.

(b) **How companies are managed, administered and regulated**

- Directors - Appointments, Types of Directors; Duties/Powers of Directors.
- Meetings–types of meetings, formalities and procedures involved in conducting meetings; Resolutions of a company (ordinary and special).
- Financing of Companies: different types of capital available to companies including equity and debt. Majority Rule and Minority protection
- Auditors – Appointments, Rights and Removal
- Company Secretary – Qualification, Roles
- Winding-up or liquidation procedures

RECOMMENDED TEXTS

5. ATSWA Study Pack on Business Law
6. 1992 Constitution of the Republic of Ghana
7. The Companies Act 2019, (Act 992)
8. Sale of Goods Act, 1962 (Act 137)
9. Labour Act, 2003 (Act 65 1)
10. The Insurance Act, 2021 (Act 1061)

11. Christine Dowuona-Hammond *The Law of Contract in Ghana*, Frontiers Printing and Publishing Limited, Accra

PAPER 4: COMMUNICATION SKILLS

Aim

The aim of this paper is to examine candidates' competence in the use of aspects of English Language (both oral and written) that ensure effective communication within and outside an organisation.

Objectives

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

- a) Understand the structure and uses of the communication systems, models, networks within and outside an organisation;
- b) Read and understand texts on technical concepts relating to the accounting profession;
- c) Answer questions on comprehension and summary passages to test their understanding of a given piece of information;
- d) Know grammatical rules and mechanics that relate to good use of language such as word classes, phrases, clauses, sentences, punctuation marks, spellings, figurative expressions;
- e) Know the different types of essay, correspondence, speech and how to write them;
- f) Know the different types of meeting, technical term associated with meetings and how to write minutes of meetings; and
- g) Apply the language skills to the communicative activities of the organisation.

Structure of the paper

This paper is a three-hour paper, divided into three sections:

Section A (40 marks): This shall consist of 40 compulsory questions made up of 20 multiple-choice and 20 short answer questions covering the entire syllabus

Section B (30 marks): The only question in this section shall be compulsory and be based on either comprehension or summary.

Section C (30 marks): This shall consist of four questions, out of which candidates are expected to answer any two, each for 15 marks.

Contents:

1. **Introduction to communication skills: communication systems, models and networks** **20%**
 - a. Definition of communication.
 - b. The role of communication.
 - c. Elements of the communication process.
 - d. Types of communication.
 - e. Differences, Advantages and Disadvantages of types of communication.
 - f. Human communication.
 - g. Formal and informal communication system.
 - h. Barriers and limitations to effective communication.

- i. Explain communication ethics:
 - Conflict in the workplace;
 - Types of conflict;
 - Conflict resolution;
 - Mediation and negotiation;
 - Labour and industrial relations within organisations; and
 - Bargaining and bargaining strategies.

2. Language skills and grammatical rules 20%

- a. Basic language skills
 - i. Define listening and explain different types of listening as well as barriers to effective listening.
 - ii. Define speaking and explain principles of effective speaking.
 - iii. Define reading and explain different types, common faults in reading, and reading methods.
 - iv. Define writing and explain:
 - Paragraphing,;
 - Outlining;
 - Note-taking;
 - Punctuation;
 - Hyphenation;
 - Abbreviation;
 - Acronym;
 - Features of effective writing;
 - Precise writing; and
 - Proof-reading.
- b. Grammatical rules
Define and explain the differences among the following:
 - The word ;
 - Word classes;
 - Phrases;
 - Clauses;
 - Sentences;
 - Mechanics;
 - Common errors in sentence construction; and
 - Figurative expressions.

3. Practical Application of Communication skills 60%

- a. Comprehension and summary.
 - i. Techniques for answering comprehension questions.
 - ii. Principles of effective summary writing.

- b. Essay writing.
 - i. Define writing and explain different types of writing.
 - ii. State and explain the characteristics of essays.
 - iii. Write essays.

- c. Speech making
 - i. Define types and formats of different speeches.
 - ii. State and explain different methods of speech delivery.
 - iii. State and explain features of a good speech.
 - iv. Writing of speeches.

- d. Report writing
 - i. State and explain different types, classification and format/components
 - ii. State and explain types of business reports.
 - iii. Explain gathering of information for a report/ organisation of the materials.
 - iv. Identify and define terms related to report writing.
 - v. State and explain the role of visual aids in report writing.
 - vi. Writing reports.

- e. Meetings
 - i. State and explain Types, statutory documents and technical terms associated with meetings.
 - ii. Identify and explain the roles of officials at meetings.
 - iii. Write minutes.

- f. Correspondence
 - i. State and explain types and characteristics of different correspondence.
 - ii. Explain the format of each type of correspondence.
 - iii. State and explain the differences among the different types of correspondence.
 - iv. Write letters, memoranda, circulars, newsletters, press releases, e-mails, etc.

- g. Digital communication in organizations:
 - i. Define digital communication.
 - ii. State and explain digital communication tools, such as e-mail, blog, phone calls, messaging, video-conferencing.
 - iii. State and explain digital communication systems.
 - iv. State and explain advantages and disadvantages of digital communication.

- h. Advertising and marketing strategies in the accounting profession
 - i. Explain the concept of advertising.

- ii. Explain marketing strategies in the accounting profession.
 - iii. Explain sales promotion in accounting business.
 - iv. Explain placing orders for goods and services in accounting.
- i. Writing feasibility studies for projects in accounting:
 - i. Explain the concept of feasibility studies.
 - ii. Explain budgeting.
 - iii. Write budget proposals.
- j. Communication and human resource development
 - i. Explain the concept of seminar, workshop, conference.
 - ii. State and explain the importance, planning and organization of seminar, workshop and conference.
- k. Assessment practice in the accounting profession.
 - i. Explain the concept of assessment practice.
 - ii. State and explain the assessment instruments.
 - iii. State and explain the criteria for reward/motivation.

Recommended texts

1. ATSWA Study Pack on Communication Skills
2. Ajayi, Wale and Idakwo, V (2006): **Communication in English**, Ilaro: Marvel Books
3. Soola, Oludayo (1998): **Business Communication**, Ibadan: Kraft Books Limited
4. Erasmus-Kritzinger, L E., Bowler, A and Goliath, D (2001): **Effective Communication**, Western Cape: Afritech

Reference books

1. Little, Peter: **Communication in Business**, London: Longman
2. Eyre, E C (1979): **Effective communication Made Simple**, London: W H Allen
3. J E Metcalfe and C Astle: **Correct English**, Surrey, England: Clarion
4. Sybil James, Isaac Ode and OludayoSoola: **Introduction to Communication for Business and Organisations**, Ibadan: Spectrum Publishers.
5. National Open University of Nigeria (2010) **ENG 316: Communication for Business**. Lagos: NOUN.

PART II

PAPER 5: FINANCIAL ACCOUNTING

Aims

The aim of this paper is to examine candidate's knowledge and understanding of essential accounting framework and presentation of financial statements of sole traders, partnership, companies, not-for-profit entities and small and medium sized enterprises.

Objectives

On the successful completion of this paper candidate should be able to:

- a) Explain the accounting concepts adopted in the preparation of financial statements;
- b) Explain the concept and purpose of financial reporting;
- c) Understand types of business transactions and documentation;
- d) Record transactions and events;
- e) Prepare extended trial balance to include correction of errors and other adjustments;
- f) Identify the components of financial statements, prepare and present non-complex; financial statements of corporate and non-corporate entities; and
- g) Interpret non-complex financial statements using simple ratios.

Structure of the paper

The paper is a three-hour paper divided into two sections:

Section A (50 Marks): This shall consist of 50 compulsory questions made up of 30 multiple-choice questions and 20 short-answer questions covering the entire syllabus.

Section B (50 Marks): Six questions, of which, candidates are expected to answer four, each at 12.5 marks.

Contents

1. **Financial accounting concepts, framework and practices** **15%**
 - a) Identify and discuss bases of accounting.
 - b) Explain the roles of bodies which sets accounting standards.
 - c) Discuss IFRS Conceptual Framework for Financial Reporting in relation to:
 - i. Objectives of general-purpose financial reporting;
 - ii. Qualitative characteristics of financial information;
 - iii. Financial statements and the reporting entity; and
 - iv. Elements of financial statements, including their:
 - Recognition and derecognition;
 - Measurement; and
 - Presentation and disclosure.
 - d) Identify and explain the attributes of different reporting entities.
 - e) Identify the possible impacts of relevant legislation and regulations governing corporate and non-corporate accounts.

2. **Maintaining financial records.** **10 %**

- a) Explain why an entity maintains financial records and prepares financial statements.
- b) Identify and explain the sources of information for preparation of accounting records and financial statements.
- c) Explain the ethical considerations for preparers of financial statements.
- d) Record and account for transactions and events resulting in income, expenses, assets, liabilities and equity.
- e) Prepare trial balance from accounting records and identify the uses of the trial balance.

3. Adjustments to accounting records and financial statements. 15%

- a) Prepare extended trial balance to include correction of errors, suspense account and other adjustments.
- b) Prepare final accounts from incomplete records to include:
 - i. Allowances for bad and doubtful receivables;
 - ii. Accrual and prepayments; and
 - iii. Control accounts and reconciliations.
- c) Account for Property, Plant and Equipment (PPE) in accordance with IAS 16 relating to the following:
 - Nature;
 - Acquisition;
 - Depreciation;
 - Disposal; and
 - Notes on movement of PPE.

4. Accounting for partnership, not-for-profit entities and incomplete record. 25%

- a) Prepare partnership accounts- Prepare partnership accounts to include the following:
 - i. Partners' capital and current accounts;
 - ii. Changes in partnership;
 - Good will;
 - Admission;
 - Retirement,;
 - Dissolution (excluding piecemeal realisation);
 - Amalgamation; and
 - Conversion to limited liability companies.
- b) Prepare not-for-profit organisations to include:
 - i. Receipts and payments account;
 - ii. Income and expenditure account; and
 - iii. Statement of assets, liabilities and accumulated funds.
- c) Preparation of incomplete records.
 - i. State the need for preparation of accounts from incomplete records.
 - ii. Determine profit from opening and closing capital balances; and

- iii. Explain the use of accounting equation, gross profit percentage, cash book summaries and control accounts to determine missing figures from financial statements.

5. Preparation and interpretation of financial statements of corporate entities

25%

- a) Accounting policies, changes in accounting estimates and errors:
 - i. Identify and explain changes in accounting policies, changes in accounting estimates and prior year errors in accordance with IAS 8.
 - ii. Explain the guidance on the selection of accounting policies; and
 - iii. Adjust and disclose the effect on financial statements of changes in accounting policies, accounting estimates and prior year errors.

- b) Accounting for Inventories (IAS 2).
 - i. Explain the nature and methods of inventory valuations relating to periodic and perpetual inventory methods;
 - ii. Determine the value of inventories using the principles of lower of costs and net realisable value;
 - iii. Explain and measure the value of inventory using First-in First-Out (FIFO) and weighted average cost (WAC) methods;
 - iv. Explain the impact of various valuation methods on the profit or loss for the period and the effect of the adjustments of opening and closing inventories on the financial statements; and
 - v. Account for loss of inventories.

- c) Prepare financial statements of limited liability companies in accordance with IAS 1 to include:
 - i. Statement of financial position;
 - ii. Statement of profit or loss and other comprehensive income, incorporating current tax expense;
 - iii. Statement of changes in equity;
 - iv. Statements of cash flows (IAS 7); and
 - v. Explanatory notes required for the preparation of financial statements.

- d) Accounting for issue of shares including bonus and right issues.

- e) Interpretation of simple financial statements:
 - i. Discuss the importance and purpose of analysis of financial statements;
 - ii. Use ratio analysis for interpretation of financial statements; and
 - iii. Explain the limitations of use of ratios for interpretation of financial statements.

6. Ethics and computerised accounting 10%

- a) Ethics
- i. Identify and apply the principle of honesty and integrity.
 - ii. Highlight situations within accounting work that require objectivity and fairness; and where judgements and actions could compromise personal or organisational integrity and reputation.
 - iii. Identify the key issues which ensure accounting work is performed within scope of professional ethics guidance.
 - iv. State the appropriate procedure to follow where you believe that an employer has or will commit an act which is illegal or unethical.
 - v. Resolve conflicting loyalties where employer may ask you to perform tasks which are illegal, unethical or against the rules or standards of accounting profession.
- b) Computerised accounting:
- i. Access, enter and edit accounting information;
 - ii. Select and use tools and techniques to process business transactions; and
 - iii. Produce accounting documents and summary reports to meet the requirements.

Applicable Accounting Standards:

- IFRS Conceptual Framework for Financial Reporting (2018)
- IAS 1- Presentation of Financial Statements.
- IAS 2- Inventories.
- IAS 7 – Statement of Cash flows.
- IAS 8-Accounting Policies ,Changes in Accounting Estimates and Errors
- IAS 16- Property, Plant and Equipment.
- IFRS for SMEs.

Recommended Texts

1. ATSWA Study Text on Financial Accounting.
2. ICAN Study Text on Financial Accounting.
3. Anao. A. R.(2014) An introduction to Financial, Longman.
4. Elliot B and Elliot J , (2019) Financial Accounting and Reporting, Pearson.
5. Kieso, D.E (2022) Intermediate Accounting, Wiley.

PAPER 6: PUBLIC SECTOR ACCOUNTING NIGERIA

Aims

The aims of this paper are to examine candidates' knowledge and understanding of the identification of the nature of public sector organisations, the role and significance of accounting standards, the structure and key aspects of legislations in public sector accounting-

Objectives

On completion of this programme of study, candidates should be able to:

- a. Discuss the role of accounting information and data, especially in government;
- b. Appreciate the uses of public sector accounting information;
- c. Identify sources of government revenues and the disbursement procedures;
- d. Identify accounting concepts, bases and policies of government;
- e. Collect, process and transmit financial data on the approved formats;
- f. Explain how government funds are managed economically, efficiently and effectively in accordance with the constitution, laws, rules and regulations;
- g. Prepare financial statements based on IPSAS (Accrual); and
- h. Understand the roles of national and state assemblies and local government councils in providing legal framework for public sector accounting.

Structure of the paper

The paper will be a three-hour paper divided into two sections:

Section A (50Marks): This shall consist of 50 compulsory questions made up of 30 multiple-choice questions and 20 short answer questions covering the entire syllabus.

Section B (50 Marks): Six questions of which, candidates are expected to answer any four, attracting 12½ marks each.

Contents:

1 Public sector accounting framework and concepts

15%

- a. Explain the constitutional, legal and administrative framework of public sector accounting (Nigeria) as they relate to the following:
 - i. The regulatory and constitutional provisions guiding revenue collections and disbursement of government funds at the federal, state and local government levels;
 - ii. The provisions of the Finance (Control and Management) Act, 1958 as amended by CAP A15 LFN 2004;
 - iii. Financial regulations for federal and state governments;
 - iv. The financial memoranda for local government councils;
 - v. Fiscal Responsibility Act, 2007 in relation to:

- The annual budget;
 - Budgetary execution and achievement of targets;
 - Savings and asset management;
 - Transparency and accountability; and
 - Enforcement.
- vi. Public Procurement Act, 2007 in relation to:
- Fundamental principles of procurement;
 - Organisation of procurement;
 - Procurement methods (goods and services);
 - Special and restricted methods of procurement;
 - Procurement of consultant services;
 - Disposal of public property; and
 - Offences
- b. Explain the constitutional, legal and administrative framework of government accounting (Ghana) as they relate to the following:
The regulatory and constitutional provisions guiding revenue collection and disbursement of government funds at the local and central government levels;
- i. Sources of revenue of the central and local government, tax and non-tax revenues;
 - ii. Internally generated funds (IGF);
 - iii. Loans and grants; and
 - iv. Sources of revenue of local government fees and fines;
- c. Explain the public sector accounting theory, processes and institutional framework as they relate to:
- i. Accounting concepts, bases and principles;
 - ii. The concept of funds, its relationship to the entity concept and its implications for income measurement and valuation;
 - iii. The Armed Forces Pension Act No 103 of 1979 as amended by CAP 119 and 212 LFN 2004;
 - iv. Pension Reform Act, 2014 as it relates to:
 - Objectives;
 - Rates of contribution to scheme;
 - Exemption from the scheme;
 - Retirement benefits;
 - Retirement Savings Account (RSA);
 - Transitional provisions for the public sector;
 - Pension Fund Administrators (PFA) and Pension Fund Custodians (PFC);
 - Investment of pension fund; and
 - Offences, penalties and enforcement powers.
- v. Pronouncements and recommendations made on government accounting by international bodies:
- International Federation of Accountants (IFAC);
 - International Public Sector Accounting Standards Board, and

- United Nations Organisation
- vi. Standardisation of federal, state and local government reporting formats in Nigeria;
- vii. Cash and accrual basis of accounting in the public sector;
- viii. The annual and supplementary appropriation Acts;
- ix. Treasury circulars;
- x. Ministry of Finance Incorporated (MoFI) Act of 1959;
- xi. Public service rules (PSR)/Manuals;
- xii. Bye-laws of local government as related to revenue and expenditure;
- xiii. Synchronisation of the reporting formats of the federal, state and local governments;
- xiv. Constitutional and financial responsibilities of principal officers of Government:
 - Minister of Finance;
 - Auditor-General for the Federation;
 - Auditor General for the State;
 - Auditor-General for Local Government;
 - Accountant-General of the Federation;
 - Accountant-General of the State; and
 - Treasurer of the local government;
- xv. Nature of accounting units (self, sub-self and non-self accounting units)

2. Planning and budgeting in public sector

20% a.

Planning and budgeting

- i. Describe and explain the Medium-Term Expenditure Framework (MTEF)
 - ii. Describe the objectives and uses of annual budget in the public sector
 - iii. Compile and differentiate types of budgets using:
 - Line – item budgeting system;
 - Traditional/Incremental budgeting system;
 - Planning Programming Budgeting System (PPBS);
 - Programme Performance Budgeting System (PBS); and
 - Zero – based Budgeting System (ZBB)
- b. Describe budgeting process and budgetary control as they relates to:
- i. Stages in the budget cycle;
 - ii. Expenditure control in government to include:
 - Legislative control;
 - Executive control
 - Control by the Minister of Finance inform of authorisation of government expenditure and operation of warrants;
 - Treasury control; and
 - Departmental control.
 - iii. Vote book and expenditure control; and
- v. Fund accounting and revenue control procedures.

- 3. Public sector accounting and financial reporting** **45%**
- a. **Public sector accounting processes in respect of the following:**
- i. Compilation of treasury cashbook;
 - ii. Preparation and extraction of monthly transcripts;
 - iii. Preparation of imprest cashbook;
 - iv. Identification of revenue control procedures using revenue collector's cashbook;
 - v. Describing types of vouchers and their uses;
 - vi. Preparation of bank reconciliation statement;
 - vii. Preparation of journal entries for loss of public funds; and
 - viii. Preparation of the following, using approved standard formats:
 - Subsidiary accounts such as deposits, advances, remittances/cash transfers; and
 - Payroll accounting and pension funds.
- b. Identify and explain the roles of the following bodies:
- i. Federation Accounts Allocation Committee (FAAC) including its composition and functions; and
 - ii. Revenue Mobilisation, Allocation and Fiscal Commission (RMAFC) including its composition, functions and bases of revenue allocation
- c. Explain the types of revenue that can be classified as:
- i. Federation accounts revenue
 - ii. Internally generated revenue of federal, states and local governments.
- d. Explain the roles of the following revenue collection agencies:
- i. Federal Inland Revenue Service (FIRS);
 - ii. State Board of Internal Revenue Service; and
 - iii. Nigerian Customs Service (NCS)
- e. Identify the revenue and charges to the Consolidated Revenue Fund (CRF)
- f. Preparation of the following statutory financial statements of federal, state and local governments based on IPSAS –Cash basis and accrual basis:
- i. Statement of financial position;
 - ii. Statement of financial performance;
 - iii. Statement of changes in net assets/equity;
 - iv. Statement of cash flow; and
 - v. Accounting policies and notes to the financial statements
- g. Preparation of the following books of account under IPSAS – Accrual:
- i. Cash book;
 - ii. Revenue receivable register;
 - iii. Journal voucher;

- iv. Individual subsidiary ledger-Accounts receivable;
 - v. Investment register;
 - vi. Individual subsidiary ledger;
 - vii. Salaries and wages register;
 - viii. Accounts payable register;
 - ix. Individual subsidiary ledger-Accounts payable;
 - x. Property, plant and equipment register;
 - xi. Property, plant and equipment schedule; and
 - xii. Inventory (stores) issue note register.
- h. Accounting for public sector organisations and Government Business Entity (GBE)
- i. Describe the general nature of GBE.
 - ii. Compile for the relevant utilities, authorities, parastatals, boards, corporations, agencies and tertiary educational institutions:
 - Statement of financial position;
 - Statement of financial performance;
 - Statement of changes in net assets/equity;
 - Statement of cash flow; and
 - Explanatory notes
- i. Prepare the following education institution accounts system
- i. Domestic account
 - ii. Boarding account
- j.
- i. Explain the stores classification
 - ii. Explain stores accounting procedures as they relate to the following:
 - Receipt of stores;
 - Payment for stores;
 - Transfer of stores;
 - Issuing of stores; and
 - Procedures for store survey/inventory taking
- k. Board of survey and board of enquiry
- i. Explain the board of survey procedures as it relates to the following:
 - Classes of board of survey;
 - Composition of the boards of survey;
 - Nature of the survey;
 - Types of board of survey;
 - Purpose of survey; and
 - ii. Explain the board of enquiry procedures as they relate to the following:
 - Purpose or circumstances for setting up a board of enquiry;
 - When a board of enquiry is not necessary;
 - Procedure of board of enquiry;
 - What action to be taken on the board of enquiry's report; and

- Composition of the board of enquiry.
- m. Managing finance of government:
- i. Identify the roles and responsibilities of the national and state assemblies and local government councils in financial management and control
 - ii. Explain the efficiency committee/unit stating the following:
 - Purpose of efficiency unit;
 - Composition of efficiency unit;
 - Functions of efficiency unit;
 - Benefits of efficiency unit; and
 - Disadvantages of efficiency unit.
 - iii. Explain the financial management and virement procedures.
 - iv. Identify the roles of various government committees such as:
 - Public Account Committee (PAC);
 - Tender board;
 - Finance and general purpose committee; and
 - Audit committee.
- n. Interpretation of public sector financial statements using ratio analysis and variance analysis.

4. **Emerging issues and ethical considerations in public sector accounting** **10%**

- a. Explain the emerging issues in Nigerian public sector accounting in relation to:
 - i. Government Integrated Financial Management Information System (GIFMIS);
 - ii. Integrated Payroll and Personnel Information System (IPPIS);
 - iii. Treasury Single Account (TSA) - Roles of service providers; and
 - iv. Accounting Transaction Recording and Reporting System (ATRRS),
- b. Explain the ethical considerations in public sector accounting in managing economic crimes as it relates to the establishment of:
 - i. Economic and Financial Crimes Commission (EFCC)
 - ii. Independent Corrupt Practices and Other Related Offences Commission (ICPC)
 - iii. Code of Conduct Bureau (CCB)
 - iv. Public Complaints Commission
 - v. Money Laundering Act 2007
 - vi. Financial Reporting Council of Nigeria (FRC)

5. **Public sector audit** **10%**

- a. State and explain the legal requirements for audit in the public sector and the roles /functions of the Auditor - General (Federal, states and local governments).
- b. Explain the processes of appointing and removal of the Auditor-General.

- c. Explain the basic steps in the process of auditing public sector financial statements.

Recommended Texts:

- i. ATSWA Study Pack on Public Sector Accounting
- ii. Adams, R. A. (2004). *Public Sector Accounting and Finance Made Simple*. 3rd Edition.
- iii. Biodun Jimoh. (2014). *Principles of Public Sector and Finance*, Fourth Edition
- iv. Omolehinwa E. O. and Naiyeju J.K., (2011). *Theory and Practice of Government Accounting in Nigeria*: Pumark Nigeria Ltd.
- v. Management and control of public funds – G.K Scott

Applicable International Public Sector Accounting Standards (IPSAS)

IPSAS	Standard	IFRS
IPSAS 1	Presentation of Financial Statements	IAS1
IPSAS 2	Cash Flow Statements	IAS 7
IPSAS 3	Accounting Policies, Changes in Accounting Estimates and Errors	IAS 8
IPSAS 12	Inventories	IAS 2
IPSAS 17	Property, Plant and Equipments	IAS 16
IPSAS 22	Disclosure of Financial Information about the General Government Sector	
IPSAS 24	Presentation of Budget Information in Financial Statements	
Cash Basis IPSAS	Cash Basis	

- All new standards and laws may be examined after six (6) months from the date of issue.

PAPER 6: PUBLIC SECTOR ACCOUNTING GHANA

AIM:-

To examine candidates' knowledge and understanding of:

- Government Accounting at all levels of Government
- The nature and required skills for the generation and presentation of accounting information of stewardship of Government

OBJECTIVES:

On completion of this programme of study, candidates will be able to:

- a. Discuss the role of accounting information and data, especially in Government.
- b. Appreciate the uses of government accounting information;
- c. Identify sources of government revenues and the disbursement procedures;
- d. Identify the accounting concepts, bases and policies of Government
- e. Collect, process and transmit financial data on the approved formats; and
- f. Manage Government funds economically, efficiently and effectively in accordance with the constitution, laws, rules and regulations.

MAIN CAPABILITIES

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

- a. Financial statements based on IPSAS
- b. Understand the roles of National and District Assemblies and Local Public Sector Councils on providing Legal framework for Public Sector Accounting
- c. Better understanding of Treasury Single Accounts and the roles of the Bank of Ghana
- d. Understand Ethical Considerations in Government Accounting
- e. Be able to prepare Budget for planning and control
- f. To explain and apply Public Sector Accounting

LINKAGES

This paper is linked to papers 1,3,5,9, 10 and 11.

STRUCTURE OF THE PAPER:

The paper will be a three-hour paper divided into two sections:

Section A (50 Marks): This shall consist of 50 compulsory questions made up of 30 Multiple-Choice Questions and 20 Short Answer Questions covering the entire syllabus.

Section B (50 Marks): Six questions, out of which, candidates are expected to answer any four, attracting 12½ marks.

CONTENTS:

1. (a) The Constitutional, Legal and Administrative Framework of Government Accounting (Ghana) 5%

- vi. The Regulatory and Constitutional provisions guiding revenue collection and disbursement of Government Funds at the Local and Central government.
- vii. Sources of revenue of the Central Government: Tax and Non tax revenue and Grants.
- viii. Internally Generated Funds (IGF)
- ix. Loans and Grant
- x. Sources of Revenue of the Local Government: Rates, Fees and Fines, Licenses etc.
- xi. District Assembly common fund, loans and grants
- xii. Public Financial Management and Regulations

2. Government Accounting Theory, Processes and Institutional Framework 10 %

- vi. Accounting methods, concepts, bases and principles applicable to Government Accounting.
- vii. Pronouncements and recommendations made on Government Accounting by the International Federation of Accountants (IFAC), International Public Sector Accounting Standards Board, United Nations Organization and Chartered Institute of Public Finance and Accountancy (CIPFA).
- viii. Public Financial Management Act (PFMA).National Treasury
- ix. The Annual Appropriation Law.
- x. Public Procurement Act as Amended by Public Procurement Act 2016 (Amendment) Act 914
- xi. The Financial Memoranda for Local Government, 2004
- xii. Ghana Investment Promotion Center (GIPC) Acts,2013 (Act 865)
- xiii. Public Enterprises (Privatisation & Commercialisation) Act
- xiv. The Annual Supplementary Appropriation Laws.
- xv. Treasury Circulars.
- xvi. Ministry of Finance Incorporated (MoFI) Act
- xvii. Public Service Manuals.
- xviii. Bye-Laws of Local Government.
- xix. Reporting format for Governments, (Central, Districts and Local Government).

3. The Constitutional and Financial responsibilities of Principal Officers of Government:

10%

- i. Minister of Finance
- ii. Auditor-General for the Republic of Ghana
- iii. Controller and Accountant General for Republic of Ghana
- iv. Treasurer of the Local Government
- v. Director-General of Internal Audit Agency

4. Managing Finance of Government:

20%

- (a) Institutional background:
 - i. Roles and responsibilities of the National and District Assemblies and Local Government Councils in Financial Management and Control
 - ii. Financial Control Institutions (Presidency)
 - a. Due Process: Planning and Budget
 - b. Directorate in the Ministry of Finance
 - c. Treasury Department in the Accountant General's Office: Expenditure control unit in the ministries. Roles of various Government Committee such as Public Account Committee, Tender Board, Finance and General Purpose Committee, Audit Committee, Parliamentary Audit Committee, Parliamentary Finance Committee

- (b) Planning and Budgeting in Public Sector
 - i. Planning:
 - Fiscal Policy and strategic fiscal document
 - Medium – Term Expenditure Framework

 - ii. Budgeting in Government
 - Objectives/Uses of Annual Budget in the Public Sector
 - Citizens budget vs. national budget
 - Content of national budget

 - iii. Methods of Budgeting
 - a. Line – item Budgeting system
 - b. Traditional/Incremental Budgeting System
 - c. Zero – Based Budgeting System (ZBB)
 - d. Planning, Programming and Budgeting System (PPBS)
 - e. Perspective Planning

 - iv. Preparation, Evaluation and Control of Budgets:
 - Internal Control procedures over revenue collections and disbursement of funds
 - Funds Accounting
 - Sources of Government Revenues
 - Authorization of Government expenditure and operation of warrants
 - Operation of Departmental Vote Books and Authority to incur Expenditure

 - v. Expenditure Control in Government
 - Legislative control
 - Executive Control
 - Control by the Minister of Finance
 - Treasury control
 - Departmental control

 - vi. Accounting Records of Government include:

- Treasury Cash Books
- Imprest Cash Book
- Payment Voucher
- Adjustment Voucher
- Method of Payment
- E-Payment, E-Receipt/Ticketing

5(a) Ministerial Accounting System

10%

- i. Government Integrated Financial Management Information System (GIFMIS)
- ii. Self, Limited self and non-Self Accounting Unit
- iii. Preparation and Extraction of monthly transcripts/ATRRS. (Automated Transaction Recording and Reporting System)
- iv. Preparation and posting of monthly payroll (IPPIS (Integrated Personnel & Payroll Information System))
- v. Extraction of Variation Control Reports.
- vi. Treasury Single Account

(b) Sub-Ministerial Accounting System

(i) Education Institution Accounts System

- Domestic Account **10%**
- Boarding Account
- Joint Ventures Accounts
- Foundation Trust Accounts and Sponsorships Accounts

(ii) Parastatal Accounting in compliance with IPSAS

- Main objective of setting up Parastatals
- Sources of income of Parastatals
- Expenditure of Parastatals
- Audit

6. Stores and Stores Accounting

10%

- i. Stores classification
- ii. Receipt of stores
- iii. Payment for stores
- iv. Transfer of stores
- v. Issuing of stores

- vi. Accounting Treatment of Loss of Government stores or funds
- vii. Procedures for Store Survey/Inventory - taking

7. Board of Survey and Board of Enquiry **5%**

(a) Board of Survey

- i. Classes of Board of Survey
- ii. Nature of the Survey
- iii. Types of Board of Survey
- iv. Purpose of Survey
- v. Composition of the Boards of Survey

(b) Board of Enquiry

- i. Purpose or circumstances for setting up a Board of Enquiry
- ii. When a Board of Enquiry is not necessary
- iii. Procedure of Board of Enquiry
- iv. What action is taken on the Board of Enquiry's Report
- v. Composition of the Board of Enquiry.

8. Treasury Final Accounts **10%**

- i. Preparation of Statutory Financial Statements in compliance with IPSAS
- ii. Responsibility for Financial Statements (by the Controller and Accountant General)
- iii. Auditor General's Certificate
- iv. Cash Flow Statement
- v. Statement of Assets and Liabilities
- vi. Statement of Income and Expenditure

9. Pension and Gratuity Accounting **10%**

a) The Three Tier Pension Scheme

- i) Object of the scheme
- ii) The Responsibilities of the National Pension Authority
- iii) Contribution to the scheme
- iv) Control and management of the first, second and third tiers respectively

- v) Pension benefits to members of the scheme
- vi) Qualifying conditions for pension

(b) Pension Computations

10 Ethical Considerations in Government Accounting

5%

- Management of Economic Crimes

Establishment and role of

- i) Bureau of National Investigations (*Security and Intelligence Agencies Act (Act 526) 1996*)
- ii) Economic and Organized Crime Office (2010 –Act 804)
- iii) Financial Administration Court
- iv) Anti-Money Laundry Act 2008
- v) Freedom of Information Bill

11. Public Sector Audit

5%

- i) The Legal requirements for audit in the Public Sector and the roles/functions of the Auditor General
- ii) Roles of National and District Assemblies and Local Public Sector Councils in the appointment and removal of the Auditor General
- iii) Relevance of the application of International Standards of Supreme Audit Institution (ISSAI)
- iv) Standards for assurance and audit and their relationship with International Standard on Audit (ISA's)
- v) Understanding the concept of Value for money Audit.

RECOMMENDED TEXTS:

- (1) ATSWA Study Pack on Public Sector Accounting
- (2) 1992 Constitution of Ghana
- (3) Public Financial Management Act, 2016 Act 921
- (4) Financial Administration Regulation 2004
- (5) Public Procurement Act 2003
- (6) National Pension Act 2008

OTHER REFERENCE BOOK

- (1) Management and Control of public funds – G.K Scott
- 2) Agalega.E, (2021) Public Sector Accounting, Ziphin Business World.
- 3) Oduro, R. (2016), Public Sector Accounting.
- 4) Ampadu, (2015), Public Sector Accounting, EPP book services

Applicable International Public Sector Accounting Standards (IPSAS)

The benefits of adopting IPSAS

- Challenges of IPSAS Implementation
- Cash basis IPSAS Vs. Accrual Basis IPSAS
- Specific IPSAS : IPSAS 1, IPSAS 2; IPSAS 3; IPSAS 9; IPSAS 23; IPSAS 12, IPSAS 24 etc.

PAPER 7: QUANTITATIVE ANALYSIS

Aim

The aim of this paper is to examine candidates' knowledge and understanding of Quantitative Analysis comprising Statistics, Business Mathematics and Operations Research techniques which will help in the day-to-day performance of duties of a typical Accounting Technician.

Objectives

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

- a. Discuss the role and limitation of statistics in government, business and economies;
- b. Identify sources of statistical and financial data;
- c. Collect, collate, analyse, present and interpret statistical data;
- d. Analyse statistical and financial data for planning and decision-making purposes;
- e. Use mathematical techniques of operations research to allocate resources judiciously;
- f. Apply mathematical optimisation models to real life situations and to solve problems involving choice among alternatives; and
- g. Apply relevant statistical packages to analyse data.

General relational diagram for Quantitative Analysis Syllabus

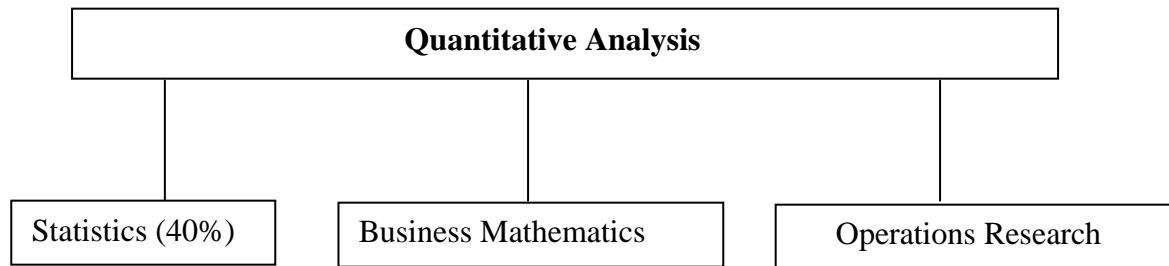


Fig 1: Relational diagram of the main sections of the QA syllabus

Structure of paper

The three-hour paper will be divided into two sections:

Section A (50 Marks): This shall consist of 50 compulsory questions made up of 30 multiple-choice questions and 20 short-answer questions covering the entire syllabus.

Section B (50 Marks): Six questions, out of which, candidates are expected to answer only four, each at 12.5 marks.

Content

1. Statistics

- a. **Handling statistical data** **10%**
 - i. Broad classification of statistical data
 - Identify numeric (quantitative) data, such as discrete and continuous (definition and examples) and non-numeric data, (qualitative), such as categorical and ordinal (definitions and examples); and

- State the types of statistical data based on collection process: primary data; definition, method of collection (such as mail, questionnaire; interview, observation and telephone; advantages and disadvantages of each method) and secondary data; definition, types (i.e. financial data, health data, oil and gas data, security data, political data; examples and sources of each).

ii. Sampling

- Explain the meaning of sampling, and state the definition of basic sampling terms, such as population, sample, sampling, unit, sampling fraction, sampling frame and sampling survey.
- Explain the purpose of sampling.
- State the method of sampling, such as probability sampling, (simple random, systematic, stratified, cluster and multi-stage; advantages and disadvantages of each method) and non-probability sampling (quota, judgemental, convenience and snowball; advantages and disadvantages of each method).

iii. Data presentation

- Explain tabulation of data including guidelines for constructing frequency tables and cross tabulation.
- State and draw the type of charts such as bar chart (simple, multiple component and percentage), and pie chart.
- State and draw the type of graphs, such as histogram, frequency polygon, cumulative frequency curve (ogive),
- Explain the use of statistical application packages, such as Microsoft excel, statistical package for social sciences (SPSS).

b. **Measures of location (grouped and ungrouped data) 5%**

i. State and calculate the measures of central tendency/centre, such as:

- Arithmetic mean;
- Unimodal mode ;
- Median; and
- The relationship among the three measures;
- The characteristics features of each of the above measures;

ii. State and calculate the measures of partitions such as quartiles, deciles and percentiles;

iii. Estimate the mode from histogram; median, quartiles, deciles and percentiles from ogive.

c. **Measures of variation/dispersion/spread (grouped and ungrouped data) 5%**

Explain and calculate range, mean deviation, variance, standard deviation, coefficient of variation, quartile deviation and skewness.

d. **Measurement of relationship 5%**

i. Correlation

- Explain the meaning of correlation and state its uses.
- Explain the nature of scatter diagrams/plots.
- Draw scatter diagrams/plots.
- State the nature and type of correlation, such as positive, perfect positive, negative, perfect negative and zero/non-correlated.
- Explain the meaning of Correlation coefficient and state its types, such as spearman's rank and Pearson's product moment.
- Calculate any of the above listed correlation coefficient type.

ii. **Regression analysis**

- Explain the meaning and uses of regression analysis for estimation/prediction/forecasting purposes.
- State the methods of fitting simple linear regression line, such as best line of fits and least squares.
- Determine the simple linear regression line and use it for prediction.
- Interpret regression constant/intercept and regression coefficient/slope/gradient.

e. **Times series**

5%

- Explain the meaning of time series and its application to forecasting.
- State the basic components of time series, such as secular/trend, seasonal, irregular and cyclical.
- State the models of time series, such as additive and multiplicative.
- State the methods of constructing trend line, such as eye fitting, semi-averages, moving averages and least squares.
- State the methods of determining seasonal indices such as moving average and smoothening.
- Determine adjusted seasonal variation.

f. **Index numbers**

2%

- Explain the meaning of index numbers and state their uses.
- State the problem associated with the construction of index numbers.
- Calculate the simple aggregate index, mean of price relatives as unweighted indices.
- Calculate the Laspeyre, Paasche, Fisher and Marshall Edgeworth as weighted indices.

g. **Probability**

4%

- Define probability and its basic terms, such as random experiment, sample space, event and probability of an event.
- Explain the types of probability events, such as mutually exclusive, independent and conditional/dependent events.
- State the addition and multiplication laws as applied to the above events.
- Explain and determine the expected values.

- h. **Test of hypothesis** 4%
- i. Explain the meaning of hypothesis and state the types of hypothesis such as null and alternative.
 - ii. State and explain the types of probable decision errors, such as types I error and type II error.
 - iii. Explain the useful concepts in test of hypothesis such as level of significance, test statistic, critical region, one-tailed/sided and two-tailed tests.
 - iv. Explain the meaning of test of hypothesis about single population mean for small and large samples and single proportion.
 - v. Test the hypothesis about single population mean for small and large samples and single proportion at appropriate level of significance.
 - vi. Explain the meaning of test of hypothesis about the difference between two population means for small and large samples and the difference between two population proportions.
 - vii. Test the hypothesis about the difference between two population means for small and large samples and the difference between two population proportions at appropriate level of significance.

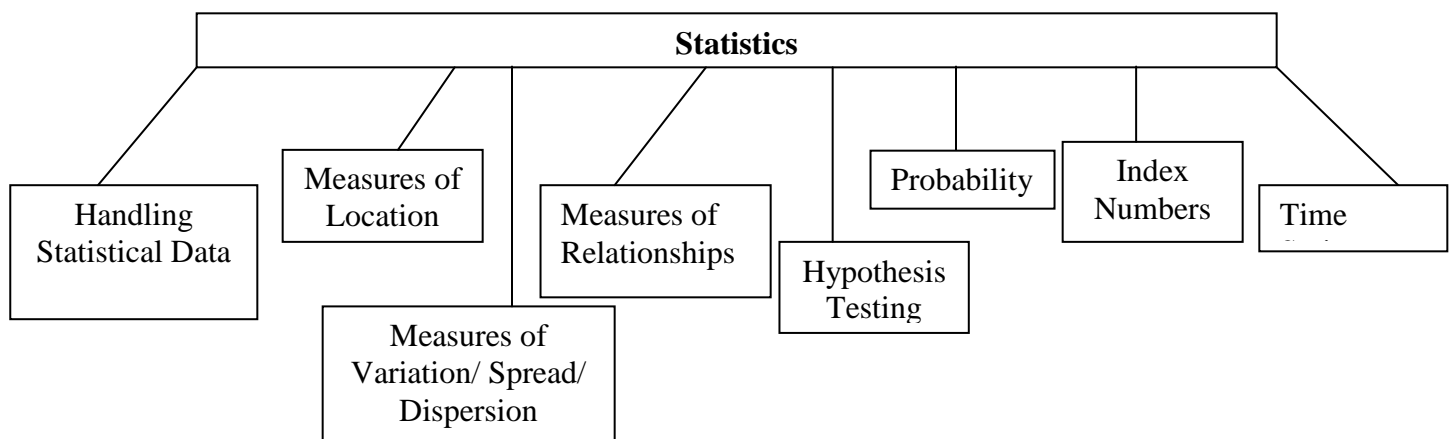


Fig 2: Relational diagram of the main capabilities of the Statistics section of the QA syllabus

2. Business Mathematics

- a. **Profit and loss based on sales** 2%
- i. Explain and calculate selling price, cost price, profit/loss, and profit percent/loss percent.
 - ii. Explain and calculate discounting.
 - iii. Explain and calculate marked price.
- b. **Set theory as applied to business** 2%
- i. Explain the relevant terms of set theory such as universal set, element/ member of a set, empty/null set, complement of a set, union of sets, intersection of sets; and
 - ii. Apply the concept of set theory to business-oriented problems involving at most 3 sets using Euler-Venn diagram.

- c. **Functional relationship** **3%**
- i. Define function and state its definition, types (linear, quadratic, polynomial and exponential) and solutions of their equations including graphical treatment.
 - ii. Apply the concept of functional relationship to cost function, revenue function, profit function, break-even analysis to determining break-even point in quantity and value) and its interpretation.
 - iii. Explain the simple linear inequalities including graphical approach.
- d. **Mathematics of finance** **7%**
- i. Apply sequences and series (limited to arithmetic and geometric progressions, sum to infinity of a geometric progression to business concerns:
 - ii. Apply simple and compound interests to present value of single amount, present value of series amounts, annuities such as ordinary and annuity due, sum of an ordinary annuity that is sinking fund, present value of an annuity and amortisation to business concerns; and
 - iii. Determine the net present value (NPV) and internal rate of return (IRR) with their interpretations.
- e. **Differentiation** **3%**
- i. Explain the meaning of slope or gradient or derivative, and state the rules for differentiating polynomials in one variable:
 - ii. Apply differentiation to finding marginals, minimum and maximum values, elasticity of price and quantity.
- f. **Integration** **3%**
- i. State the rules for integrating polynomial in one variable as a reverse of differentiation.
 - ii. Apply integration to finding functions such as cost and revenue functions from marginal functions, determination of consumers' and producers' surpluses.

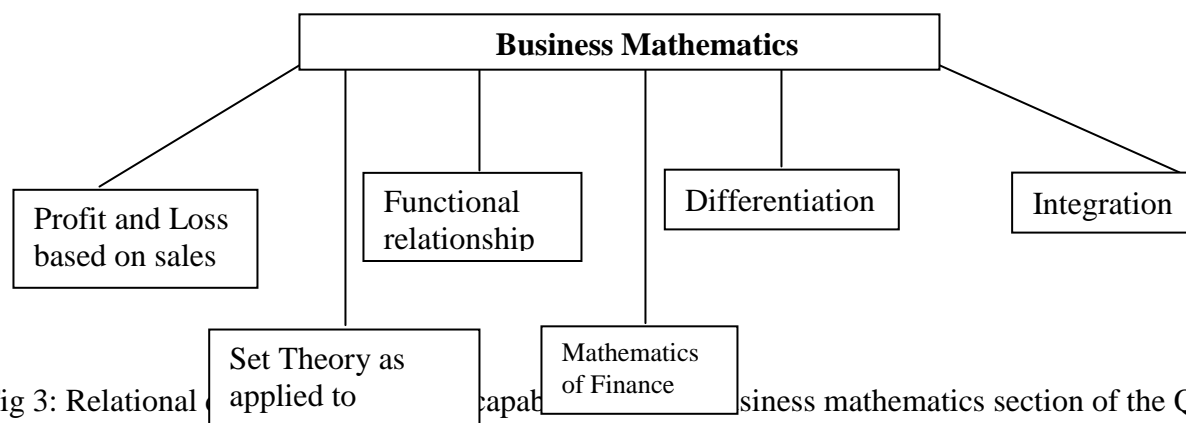


Fig 3: Relational Syllabus.

- 3. Operations research**
- a. **Introduction** **2%**
State the main stages of operations research (OR) and explain its relevance in business.
- b. **Linear programming** **10%**
- i. Explain the concept, meaning and state its underlying basic assumptions.
 - ii. State the processes of problems formulation in linear programming.
 - iii. State and explain the methods of solving a typical LP problem such as graphical method (for 2 decision variables); and Simplex method (in three decision variables only).
 - iv. Use the above stated two methods to maximise profit or minimise cost.
 - v. Explain the meaning of shadow price and dual/shadow cost and their calculations.
- c. **Inventory and production control** **5%**
- i. Explain the meaning and functions of an inventory.
 - ii. Explain and calculate inventory cost such as holding cost, ordering cost, shortage cost and cost of materials.
 - iii. State and explain the general inventory models such as deterministic and stochastic models.
 - iv. Explain the periodic review system and re-order level system (limited to one channel).
 - v. Explain and calculate the basic economic order quantity (EOQ) and state its assumptions.
- d. **Network analysis** **6%**
- i. Explain the critical path analysis (CPA) and Programme Evaluation and Review Technique (PERT).
 - ii. Draw the network diagram based on arrow-on- node (AON) concept including the introduction of dummy in the network diagram (where applicable).
 - iii. Explain and determine the critical path and the associated duration.
 - iv. Explain and calculate the floats such as free, independent and total.
- e. **Replacement analysis** **4%**
- i. Explain the concept of replacement of items that wear gradually.
 - ii. Explain the concept of replacement of items that fail suddenly.
 - iii. Calculate the cost of group replacement.
 - iv. Determine the best interval period among group replacements and
 - v. Determine when and how best equipment can be replaced in order to minimise the total cost of maintaining them.
- f. **Transportation and assignment models** **8%**
- i. Explain the nature of transportation and assignment models.
 - ii. Explain the concept of balanced transportation problems and unbalanced transportation problems involving dummy (vertical or horizontal).
 - iii. State and explain the methods for calculating initial basic feasible transportation cost, such as North-west corner method (NWCM), least cost method (LCM) and vogel's approximation method (VAM).
 - iv. Calculate the minimum transportation cost using the above stated methods.

- v. Explain the use of Hungarian method for solving assignment problems.
- vi Calculate the best allocation of an assignment problem, using the above stated methods.

g. **Simulation**

5%

- i. Explain the meaning of simulation and state the application of simulation technique to business – oriented situations that is imitation of the operation of a real-world process of system over time.
- ii. Explain the Monte Carlo method of solution involving the use of probabilities to assign random number ranges in construction and running of simple simulation.
- iii. Use probabilities to assign a random number range.
- iv. Use Monte Carlo method to construct and run simple simulations.

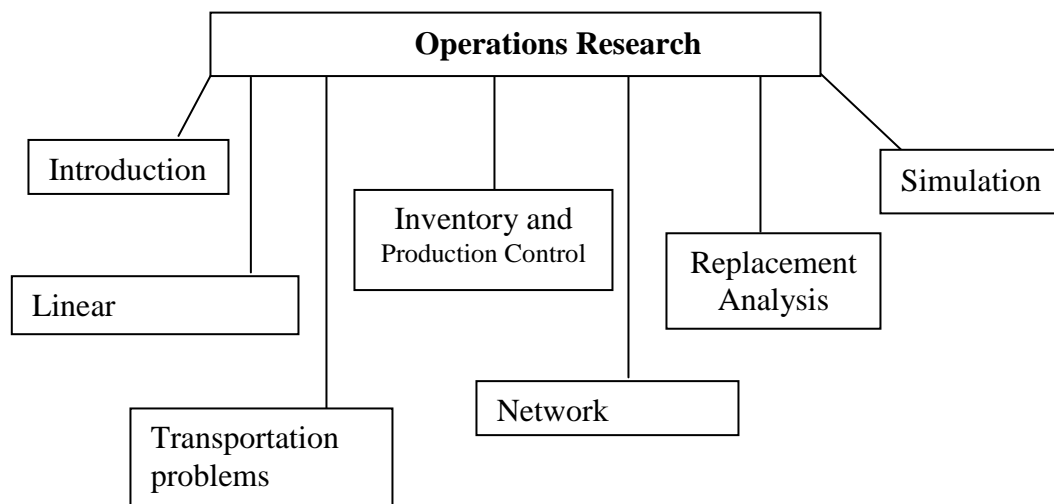


Fig 4: Relational Diagram of Operations Research Section main capabilities of the QA syllabus.

Recommended Texts

1. **ATSWA Study Pack on Quantitative Analysis**
2. *Adamu, S.O. and Johnson, T.L. (1983), STATISTICS FOR BEGINNERS* Lagos: Evans, Nigeria.
3. Funk J. (1980). **BUSINESS MATHEMATICS. BOSSON ALLYN** and Bacon Inc.
4. *Lapin, L. (1994): QUANTITATIVE METHODS FOR BUSINESS DECISIONS (6th EDITION)*. New York : The Dryden Press.
5. *Lucey, T (2002): QUANTITATIVE TECHNIQUES*, London: ELST/Continuum.

PAPER 8: INFORMATION TECHNOLOGY

Aim

The aim of this paper is to develop practical knowledge and understanding of the role of information and communication technologies in an organisation with special reference to its finance and accounting functions.

Objectives

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

- a. Understand the roles of information technology in an organisation;
- b. Understand communication support systems;
- c. Understand the hardware and software systems of micro computers;
- d. Have knowledge of the main features of integrated packages with reference to word processing, database, spreadsheet as well as presentation and accounting packages;
- e. Describe the work practices for monitoring and maintaining the security of the computer environment;
- f. Demonstrate knowledge of recent developments in information and communication technologies;
- g. Understand how finance and accounting functions are affected by information and communication technologies; and
- h. Interact with the major operating systems.

Structure of the paper

This will be a three-hour paper divided into two sections:

Section A (50 Marks): This shall consist of 50 compulsory questions made up of 30 multiple-choice questions and 20 short answer questions covering the entire syllabus.

Section B (50 Marks): Six questions, out of which, candidates are expected to answer four, each for 12½ marks.

Contents:

1. Basic concepts

14%

- a. Information
 - i. Define data and information.
 - ii. Distinguish data from information.
 - iii. State the meaning of each of the following data concepts and their relationships: Bit, byte, field, record, file and database.
 - iv. Explain data representation in number base system (only bases 2, 4, 8, 10, 16) and their manipulations.
 - v. Explain data acquisition, cleansing, processing and analysis.
 - vi. Identify the role of information in the finance and accounting environment
 - vii. State the general characteristics of information.
- b. Computer Systems
 - i. Describe the evolution of computers (hardware only)
 - ii. Classify computers into analog, digital and hybrid.

- iii. Explain the characteristics of digital general purpose computers with special reference to microcomputers.
 - iv. State the advantages and disadvantages of computer use.
 - v. Classify microcomputers.
- c. Explain office automation: Hardware and software requirements.

2. Hardware fundamentals 17%

- a. Hardware
- i. Prepare block diagram of basic components of a computer system showing input, CPU, output and secondary storage.
 - ii. Identify types and appropriate uses of input device.
 - iii. Identify types and appropriate uses of output device.
 - iv. Identify storage media types and their uses: Magnetic and optical discs as well as cache memory.
 - v. Describe central processing unit (CPU): composition, functions and processing powers.
- b. Controls
- i. Explain input controls: Accuracy, completeness, authorisation and validity checks.
 - ii. Explain output controls: Control totals, authorisation, and pre-numbering.
 - iii. Explain storage controls: Labelling, file backup, and physical security.

3. Software fundamentals 17%

- a. System software
- i. Describe system software with examples.
 - ii. State the functions of operating systems (OS), utility programs, language processors and editors.
 - iii. Classify operating environments: Single-user, multi-user, networking, and windows-based environment.
 - iv. Describe types of operating system used for single-user, multi-user, and networking.
- b. Application software
- i. Define application software.
 - ii. State the criteria for selecting application packages.
 - iii. State the sources of application packages.
 - iv. Describe software suite and integrated packages (e.g. database, word processing, spreadsheet, presentation, accounting, payroll and inventory packages) and explain uses, advantages and disadvantages.
 - v. Describe the principles of programming (program flowchart, structured pseudocode, decision tables, decision tree) in relation to business problems.
 - vi. State the characteristics of computer programming languages.
 - vii. Distinguish among computer programming languages including Fourth Generation Languages (4GL).
 - viii. Describe grid computing (distributed computing).
- c. Describe Microsoft windows and other operating systems for microcomputers, servers, and smart phones.
- d. State the functions of:

- i. Mouse;
- ii. Graphical user interface (GUI);
- iii. Desktop;
- iv. Task bar;
- v. Title bar;
- vi. Menu bar;
- vii. Tools bar;
- viii. Start button;
- ix. My computer;
- x. My document;
- xi. Control panel; and
- xi. Windows explorer, etc.

4. Information processing

17%

- a. Information processing techniques
 - i. Classify processing methods: Centralised, decentralised, batch, on-line, real-time, distributed, and time sharing.
 - ii. State the advantages and disadvantages of different processing methods.
 - iii. Describe multiprocessing, multitasking and multiprogramming.
- b. Computer services
 - i. Describe the roles of microcomputers in the finance and accounting environment.
 - ii. Describe the role of user department.
 - iii. Describe information centre: Staffing and services provided.
 - iv. Describe computer bureau: Services provided, reasons for using a bureau, advantages, and disadvantages.
- c. Information systems and electronic business technologies
 - i. Explain with the aim of distinguishing amongst the following information systems:
 - ii. Management information system (MIS);
 - iii. Decision support system (DSS);
 - iv. Executive support system (ESS);
 - v. Transaction processing system (TPS); and
 - vi. Office information system (OIS).
- d. E-commerce

Describe the following:

 - i. E-commerce models – B2C, B2B, C2B, M2C, B2G, etc.;
 - ii. Electronic payment system – Automated teller machine, mobile payment platforms, card payments
 - iii. On-line payment platform; and
 - iv. Digitised middlemen; Amazon, eBay, Ali Baba, Jumia, Konga, Jiji, etc.

5. Computer networks and data communication

17%

- a. Computer networks

Define the following:

- i. Networking, local area network (LAN), wide area network (WAN), metropolitan area network (MAN), remote job entry (RJE), intranet, extranet, and internet;
 - ii. Network topologies: Star, ring, bus, fully connected/mesh; and
 - iii. Wireless networks.
- b. Data communication
- i. Define data transmission media with examples.
 - ii. Classify modes of transmission: Simplex, half duplex, duplex, synchronous and asynchronous.
 - iii. Explain the functions of the following data transmission equipment: MODEM, multiplexors, hub, and bridge, etc.
 - iv. Describe protocols, OSI - 7 layer model.
- c. Internet
- i. Define and state uses.
 - ii. State the advantages and disadvantages as well as hardware and software requirements.
 - iii. Describe websites, web pages, blogs.
 - iv. Describe interaction with the internet through browsing, surfing, uploading and downloading.
- d. Social and business communication on the net.
- State the benefits and disadvantages to business of the use of the following: Electronic mail, internet advertising, teleconferencing, telecommuting, Facebook, Twitter, WhatsApp, etc.

6. Systems development, security and issues in management of information 18%

- a. Systems development
 - i. Explain the following approaches to systems development: Traditional systems development life cycle (SDLC); prototyping; end-user developments; and
 - ii. Link systems development to identification of a problem, feasibility studies, systems investigation and specifications, systems design, acquisition, implementation, maintenance, and review.
- b. Explain computer security: Hardware, software and workplace securities.
- c. Explain cybercrimes and types of computer viruses (worms, trojans, etc) stating mode of infection and prevention.
- d. Explain data privacy and data protection principles.
- e. Explain network and internet privacy and security basics.
- f. Define and explain the basic principles of computer forensics.
- g. Explain the basics, methods and techniques of disaster recovery.
- h. Explain the characteristics, analysis, and implications to organisations of Big Data.
- i. Explain the technologies, models, advantages and disadvantages of cloud computing.
- j. Identify legal, ethical, health, and environmental issues in computing.
- k. Explain the following disruptive technologies:
 - i. Artificial Intelligence (AI) and Machine Learning (ML);
 - ii. Internet of things (IoT);
 - iii. Distributed ledgers (blockchain technology)
 - iv. Computer Robotics and Business Automation (CRBA); and

- v. Drone technology.
- vi.

Recommended texts:

1. ATSWA Study Pack on Information Technology
2. Gerald V. Post and Andersen David L. (2000); Management Information Systems: Solving Business Problems with Information Technology. London: Irwin McGraw- Hill.

PART III

PAPER 9: PRINCIPLES OF AUDITING & ASSURANCE

Aim

To enable candidates understand the regulatory frameworks, ethical issues, risks and processes involved in an assurance environment.

Objectives

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

- a) Explain the principles and theory of assurance engagements with the applicable regulatory framework;
- b) Understand how an assurance engagement is planned with verification procedures;
- c) Understand the procedures of internal control and its inherent limitations;
- d) Be familiar with audit and assurance services in the public sector;
- e) Understand IT-based system assurance; and
- f) Understand the various types of assurance reports.

Structure of the paper

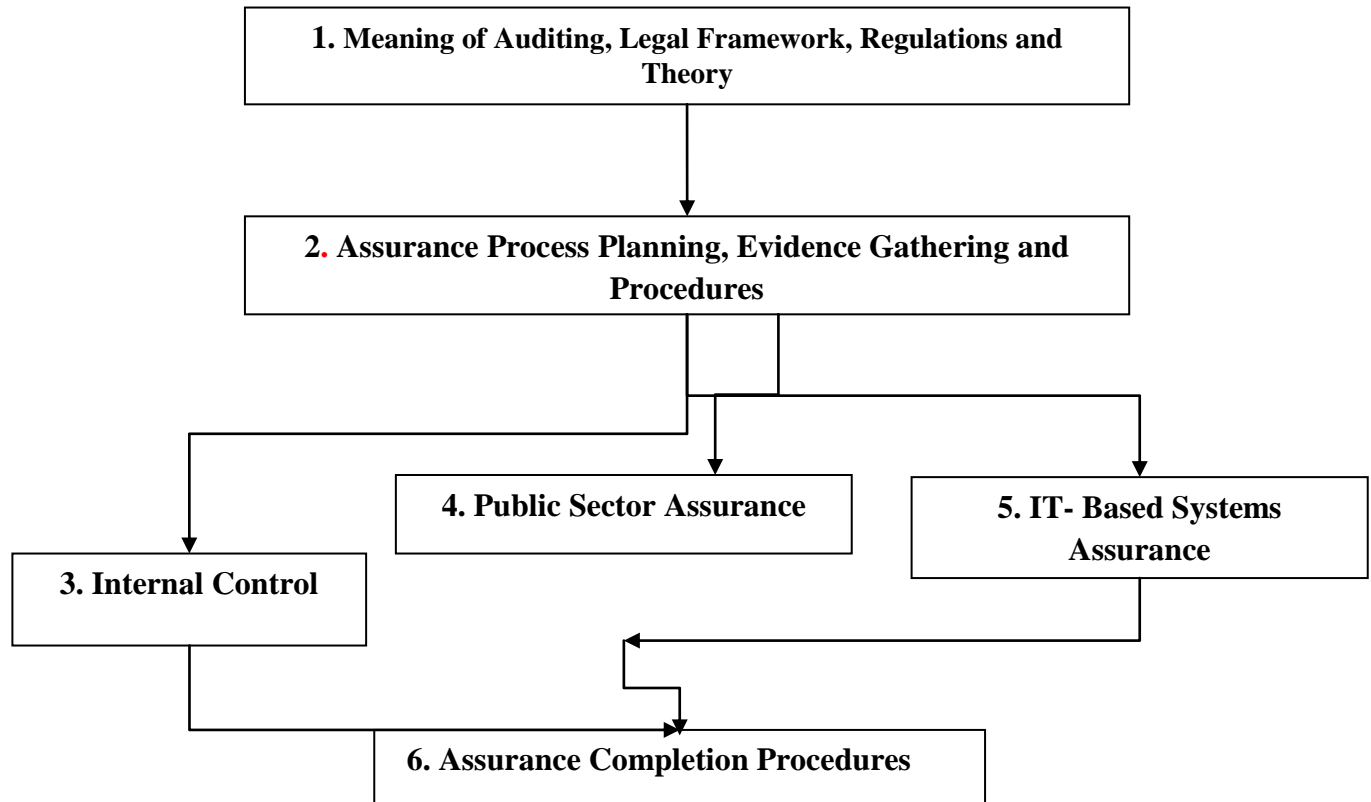
The paper is a three-hour paper, divided into two sections:

Section A: (50 Marks) - This shall consist of 50 compulsory questions made up of 30 multiple choice questions and 20 short answer questions covering the entire syllabus.

Section B: (50 Marks) - This consists of six questions of which candidates are expected to answer any four. Each of the questions attracts 12.5 marks.

Diagrammatic presentation of Principles of Auditing

The diagram summarizes the contents of Principles of Auditing.



Contents

- A. Meaning of auditing, legal framework regulations and theory** **20%**
- a) Define and explain the concepts of audit and assurance.
 - b) Explain the legal and regulatory framework for statutory audit and assurance in line with the provisions of:
 - i. International Standards on Auditing (ISAs); and
 - ii. International Standards on Assurance Engagements (ISAEs).
 - c) State and explain the differences between accounting and auditing.
 - d) State and explain the roles, rights and duties of assurance parties under company legislation in your country and other regulatory frameworks.
 - e) Identify and explain the liability of assurance parties for negligence under common civil and criminal laws of various countries.
 - f) State and explain the legal framework of external audit and assurance with respect to:
 - i. Differences between statutory and non-statutory audits;
 - ii. The scope of internal and external audits; and
 - iii. Public sector audit.
 - g) Explain the basic steps or components of an assurance process with respect

to:-

- i. Fundamental principles of the professional accountancy bodies' code of ethics and conduct in your country;
- ii. True and fair view;
- iii. Materiality;
- iv. Judgement;
- v. Audit risks;
- vi. Appointment of assurance parties;
- vii. Removal of assurance parties;
- viii. Independence of assurance parties; and
- ix. Sources of liabilities of assurance parties.

B. Assurance process planning, evidence gathering and procedures **15%**

- a) Explain assurance planning and strategies.
- b) State and discuss factors affecting evidence reliability.
- c) Outline the vouching process for specific items in the financial statements.
- d) State and explain the concepts of physical examination and third party evidence.
- e) Explain assurance programmes, giving examples.
- f) Identify and explain types of assurance tests.
- g) Explain management representations, internal control reporting and assurance letters
- h) Explain sampling selection methods affecting sampling size.
- i) Explain the concepts of quality control and peer review.
- j) Explain assurance procedures with respect to various types of intangibles assets.
- k) Discuss the concepts of audit risk and risk assessment.
- l) Discuss the advantages of working papers.

C. Internal control **15%**

- a. Explain the nature and types of internal control.
- b. Explain the difference between internal control and internal audit.
- c. Explain the need for internal control.
- d. Identify the inherent limitations in internal control systems.
- e. Explain internal control reporting and assurance control letters.
- f. State and explain control procedures to gather assurance evidence.
- g. Apply internal control to finance cycles.
- h. Explain the role of internal audit within an organisation.
- i. Discuss the effectiveness of internal audit.
- j. Explain the role of the audit committee in relation to internal audit.

D. Public sector assurance **15%**

- a) State the powers and functions of the Auditor-General for the federation, state and local governments or their equivalents in your country.
- b) Explain financial and regulatory assurances.

- c) Discuss the phases of value for money audits.
- d) State the composition of the office of the Auditor- General for the federation or its equivalent in your country.
- e) Explain the roles of the public accounts committee in the assurance process.
- f) List the functions and objectives of Bureau of Public Procurement or a similar body in your country.
- g) Explain the assurance functions of the internal auditor in the auditor general's office or in a similar office in your country.

E. IT-based system assurance

15%

- a. Explain types of information technology systems.
- b. State typical control challenges faced in the assurance of small IT-based systems.
- c. Explain documentation procedures used in the assurance of manual and IT-based systems.
- d. Explain the approach to the audit of IT-based systems with attention to audit trail and controls.
- e. Explain business systems and associated IT risks
- f. Explain the concepts of IT audit activities and current trends in Information Technology relating to:
 - i. Big data analytics;
 - ii. Audit of electronic transactions;
 - iii. Artificial intelligence; and
 - iv. Machine learning.

F. Assurance completion procedures

20%

- a) State the purpose and methods of analytical procedures.
- b) Discuss the "going-concern" concept.
- c) Evaluate the "going-concern" of a company.
- d) State the composition and functions of the audit committee.
- e) Explain the importance and use of forensic audits.
- f) Explain the concept of "due diligence".
- g) State the form and contents of assurance report on the financial statements.
- h) State the circumstances which may warrant the assurance party to issue a report with:
 - i. A qualified opinion;
 - ii. An adverse opinion; and
 - iii. A disclaimer opinion;
- i) State the methods of recording significant and material errors.
- j) State the purpose of written representations.
- k) State the purpose and content of an engagement letter.
- l) State the need for the review of events after reporting period.
- m) State the purpose and contents of a working paper file.
- n) Discuss other assurance engagement services.
- o) Discuss the concept of peer review.

Recommended Texts

1. ATSWA Study Pack on Principles of Auditing & Assurance
2. Aguolu Osita - Fundamentals of Auditing, Rex Charles & Patrick Ltd, Nimo, Anambra State, Nigeria.
3. Ezeribe, C. (2018). Audit Assurance Essential, Abuja; Topnotch Learning Publication.
4. Okai I.J (1966). Auditing for you: National Science and Technology press csir Accra.
5. Woolf E. - Auditing Today, Prentice- Hall International.

Paper 10: COST ACCOUNTING

Aim

The aim of this paper is to examine candidates' knowledge and understanding in applying cost accounting principles, methods and techniques to provide information in support of management's processes of decision-making and control.

Objectives

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

- a. Comprehend the concepts and principles of cost accounting and their applications to support management processes of planning, decision-making, and control;
- b. Recognise the various types of costs by behaviour and classification;
- c. Collect, classify and present cost information, using appropriate methods and techniques;
- d. Determine accurately product and service costs ;
- e. Relate the various costing methods to different business entities and other activities;
- f. Describe the stages in the budgeting process and prepare different types of budgets; and
- g. Prepare information for performance appraisals.

Structure of paper

This is a three-hour paper divided into two sections:

Section A (50 Marks): This shall consist of 50 compulsory questions made up of 30 multiple – choice questions and 20 short answer questions covering the entire syllabus.

Section B (50 Marks): Six questions, out of which candidates are expected to answer four, each for 12¹/₂ marks.

Contents

1. **Introduction to cost accounting** **10%**
 - a. Explain cost accounting and its related terms.
 - b. Explain the nature, purpose and scope of cost accounting.
 - c. Explain the role of cost accountants.
 - d. Differentiate between cost data and cost information.
 - e. Explain the value of cost information (financial and non-financial) in management decision-making process.
 - f. Identify and explain the impact of information technology on the generation, evaluation and presentation of cost information.
 - g. State the benefits and drawbacks of cost accounting.
 - h. State the differences between cost accounting and financial accounting.
 - i. Explain the process of designing a cost accounting system.

2. **Cost classification, codification and segregation** 5%
- a. Classify cost according to nature, functions, elements, responsibilities and behavioural patterns.
 - b. Explain cost coding.
 - c. Explain the principles of a coding system and illustrate the use of codes.
 - d. Explain the meaning of cost segregation and cost estimation.
 - e. Explain the structure of a linear function and equation.
 - f. Separate cost into its fixed and variable components using the following cost segregation techniques:
 - i. Scatter graph;
 - ii. High/low analysis; and
 - iii. Regression analysis.
 - g. Identify and use fixed, variable and semi-variable costs in cost analysis.
 - h. Analyse the effect of changing activity levels on unit costs.
3. **Elements of cost** 25%
- (a) Accounting for inventory.
- i. Define and state the basic classifications of inventory.
 - ii. Describe the procedure and documentation of inventory, with regard to:
 - Ordering;
 - Purchasing and control;
 - Receiving;
 - Stores planning;
 - Re-ordering procedures and economic order quantity (EOQ);
 - Issuing and valuation of inventory, using FIFO, LIFO, weighted average, standard cost and replacement cost; and
 - Management and storage control, using bin cards and store ledgers.
 - iii. Explain and illustrate ABC analysis techniques, physical and continuous stocktaking.
 - iv. Explain just in time (JIT) production and purchasing.
- (b) **Accounting for labour**
- i. Explain job evaluation, merit rating, work study, methods study and work measurement.
 - ii. Explain recording and monitoring procedures namely time-keeping and time-booking functions.
 - iii. State and explain the basic labour remuneration methods including time based systems, piecework systems, individual and group incentives schemes.
 - iv. Explain treatments of overtime and idle time in labour costing.
 - v. Explain and prepare entries in payroll accounting.
 - vi. Explain the causes of labour turnover and ascertain the costs of labour turnover.
- (c) **Accounting for overheads**
- i. Explain the term overheads and state the components.

- ii. Differentiate between overheads allocation and apportionment.
 - iii. Explain overheads absorption.
 - iv. Explain and demonstrate the use of continuous apportionment.
 - v. Explain overheads absorption bases and compute overhead absorption rates.
 - vi. Explain and illustrate the treatment of under- and over-absorption of overhead.
 - vii. Explain Activity-Based Costing (ABC).
4. Interlocking and integrated accounts 5%
- a. Explain book keeping entries and ledger for interlocking systems.
 - b. Reconcile financial and cost accounting profits.
 - c. Explain and illustrate integrated accounting system.
5. **Costing methods** 15%
- a. Explain and illustrate the following types of costing methods in relation to specific order costing:
 - i. Job costing;
 - ii. Batch costing; and
 - iii. Contract costing.
 - b. Continuous operation costing
 - i. Prepare process account in order to determine the cost of a unit of output including normal loss, abnormal loss and abnormal gain.
 - ii. Illustrate the concept of equivalent units and work-in-process.
 - iii. Differentiate between by-products and joints products and estimate their values at split-off points.
 - c. Service costing

Identify and illustrate appropriate unit cost measures that may be used in different service/operation situations.
6. **Performance measurement** 15%
- a. Budgeting and budgetary control
 - i. Explain budgeting and budgetary control.
 - ii. State and explain types of budget including functional, cash, capital and master budgets.
 - iii. Describe the stages in the budgeting process.
 - iv. Prepare different types of budgets with emphasis on principal budget factor.
 - v. Differentiate between fixed and flexible budgeting.
 - vi. Explain zero-based budgeting.
 - b. Standard costing technique
 - i. Explain types of standards and bases of setting standards.
 - ii. Explain methods of determining standard cost and the uses of standard cost.
 - iii. Compute standard cost card.

- iv. Compute basic variances including sales, materials, labour and overheads.
- v. Compute standard ratios including activity, capacity and efficiency.
- vi. Analyse causes of variances.
- vii.

7. Other costing techniques and decision-making tools 15%

- a. Decision making
 - i. Prepare income statements under marginal and absorption costing methods.
 - ii. Explain the concept of relevant cost.
 - iii. Explain the concept of limiting factor.
 - iv. Prepare cost statements to support short term decision making, including make or buy, products mix, special order pricing, shut down problems; etc.
- b. **Cost -Volume-Profit (CVP) analysis**
 - i. Explain the concept of cost -volume-profit (CVP) analysis.
 - ii. Calculate break-even point, margin of safety and target profit for a single product.
 - iii. Prepare and explain break-even chart, using traditional, contribution and profit/ volume approaches.
 - iv. Provide a graphical presentation of simple CVP graphs, such as BEP and P/V graphs.
 - v. Compute contribution margin ratio (CMR), profit volume (P/V) ratio and contribution/sales (CS) ratio.
 - vi. State the limitations of break-even analysis.
- c. **Simple investment appraisal techniques**
 - i. Explain and illustrate payback period without discounting techniques.
 - ii. Explain and illustrate discounted cash flow (DCF) techniques but limited to net present value (NPV).

8. Developments in cost accounting 5%

Explain the following costing related terms:

- a. Just – in- time (JIT);
- b. Kanban inventory control;
- c. Backflush accounting;
- d. Life cycle costing;
- e. Target costing; and
- f. Advanced Manufacturing Technique (AMT).

9. Cost reduction and control 5%

- a. Explain the terms ‘cost reduction’ and ‘cost control’.
- b. Explain cost reduction.
- c. Differentiate between cost reduction with cost control.
- d. Explain value analysis and value engineering.
- e. Explain Organisation and Methods (O & M).
- f. Explain work study and differentiate between method study and work measurement.
- g. Explain cost audit.

Recommended texts

1. ATSWA Study Pack on Cost Accounting
2. Iwarere, H.T. (2014) *An In-depth Approach into Cost Accounting*. Nigeria: BIPL Publication.
3. Adeniyi, A. A. (2012). *Cost Accounting: A Managerial Approach*. 2th ed. Nigeria: Value Analysis Consult.
4. Lucey, T. (2009). *Costing*. 7th ed. Cengage Learning.
5. Appiah –Mensah, K. B. (2007). *Principles of Cost Accounting*. Ghana: Fiona Press

PAPER 11: TAXATION NIGERIA

Aim

The aim of this paper is to examine candidates' knowledge and understanding of the various aspects of tax system, computations of tax liabilities of individuals and businesses, as well as issues relating to filing of returns to the relevant tax authorities.

Objectives

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

- a. Explain the basic operation and scope of the tax system;
- b. Identify and explain the taxes and levies collectible by different tiers of government or relevant tax authorities;
- c. File the necessary returns to the relevant tax authorities;
- d. Compute value added tax, stamp duties, withholding tax, customs and excise duties, as well as luxury tax.
- e. Compute tax on property and investment income;
- f. Compute tax liabilities of employees based on Pay-As-You-Earn (PAYE);
- g. Compute direct assessment on individuals;
- h. Compute adjusted profit or loss for trade and vocations;
- i. Compute total profit of companies;
- j. Compute companies income tax;
- k. Compute tertiary education tax;
- l. Compute capital gains tax;
- m. Identify and explain ethical issues in real-life situations or any given scenario;
- n. Explain the application of information technology in taxation; and
- o. Attend to tax queries from State Internal Revenue Service and Federal Inland Revenue Service as applicable in Nigeria.

Structure of paper

The paper will be a three-hour paper divided into two sections:

Section A (50 Marks): This shall consist of 50 compulsory questions made up of 30 multiple – choice questions and 20 short answer questions covering the entire syllabus.

Section B (50 Marks): Six questions, out of which candidates are expected to answer four, each for 12¹/₂ marks.

Contents

- | | |
|---|------------|
| 1. Introduction to taxation | 10% |
| a. Define tax | |
| b. Explain the objectives of taxation. | |
| c. Explain the principles of taxation. | |
| d. Explain the classification of taxes. | |
| e. Explain the sources of Nigerian tax laws. | |
| f. Explain the basic concepts in taxation: | |
| i. Tax base, tax yield, tax rate, tax incidence; and | |
| ii. Tax burden, tax impact, tax shift and tax effect. | |

- g. Differentiate between taxes and levies.
- h. Explain multiplicity of taxes.
- i. Explain tax amnesty in relation to voluntary assets and income declaration scheme (VAIDS) and voluntary offshore assets regularisation scheme (VOARS).
- j. Explain the objectives and policy guidelines of the National Tax Policy (NTP), 2017.

2. Administration of taxes

15%

- a. Explain the composition, powers and duties of organs of tax administration:
 - i. Joint Tax Board (JTB);
 - ii. Federal Inland Revenue Service Board (FIRSB);
 - iii. State Board of Internal Revenue (SBIR);
 - iv. Joint State Revenue Committee (JSRC);
 - v. Local Government Revenue Committee (LGRC);
 - iv. Technical Committees of the Boards; and
 - v. Tax Appeal Tribunal (TAT).
- b. Identify taxes and levies imposed and collectible by each tier of government.
- c. Explain the practical procedures for registration of taxpayers.
- d. State the documents necessary for filing of tax returns with the relevant tax authorities.
- e. Explain the filing of tax returns in respect of:
 - i. Individual taxpayers;
 - ii. Corporate taxpayers;
 - iii. Terms of payment; and
 - iv. Due dates of filings.
- f. Explain the following types of assessment:
 - i. Self assessment;
 - ii. Best-of-judgement assessment (BOJ)/administrative assessment;
 - iii. Turnover assessment;
 - iv. Protective/jeopardy assessment;
 - v. Amended/additional assessment;
 - vi. Assessment based on dividend paid; and
 - vii. Back duty assessment.
- g. Explain the collection and enforcement procedures of taxes.
- h. Explain the penalties for late payment of taxes.
- i. Explain the objections and appeal procedures.
- j. Explain the composition of Tax Appeal Tribunal (TAT) and hearing before a TAT.
- k. State the taxes and levies (approved list for collection).
 - l. Explain and differentiate between tax avoidance and tax evasion.
- m. Explain the procedure for obtaining a tax clearance certificate (TCC).
- n. State the following in respect of a tax clearance certificate (TCC):
 - i. Definition and contents;
 - ii. The conditions for granting TCC;
 - iii. Transactions for which a TCC is required;
 - iv. Application for a TCC;
 - v. Offences and penalties; and
 - vi. Problems of obtaining TCC.
- o. Explain the fundamental principles of ethics as specified by the International Ethics Standards Board for Accountants (IESBA):

- i. Integrity;
- ii. Objectivity;
- iii. Professional competence and due care;
- iv. Confidentiality; and
- v. Professional behavior.

3. Value added tax (VAT) and stamp duties

10%

a. Value added tax

- i. Explain the nature, objectives, and administration of VAT.
- ii. Explain the registration and deregistration of tax taxpayers for VAT.
- iii. State the VAT threshold.
- iv. Explain taxable persons, goods and services.
- v. Prepare and file of VAT returns.
- v. Explain when goods and services shall be deemed to be supplied in Nigeria.
- vi. Explain time of supply.
- vii. Explain exported services.
- viii. State exempted goods and services.
- ix. Identify vatable services rendered by financial institutions.
- x. Identify income of financial institutions not liable to VAT.
- xi. Explain zero-rated supplies.
- xii. Explain input and output VAT.
- xiii. Compute VAT liability and explain the treatment of opening and closing inventories.
- xiv. Explain self-account provision for which VAT was not charged.
- xv. Explain the treatment of VAT on sale and transfer of assets amongst related parties in business reorganization and restructuring.
- xvi. Explain the treatment of VAT on property, plant and equipment purchased, as well as operating expenses.
- xvii. Explain the treatment of VAT on imported and exported goods and services.
- xviii. Explain the obligations for records and account keeping, valid VAT invoice, as well as preparation of VAT accounts.
- xix. Explain the merits and demerits of VAT.
- xx. Explain the process of VAT recovery.
- xxi. State the offences and penalties associated with VAT.
- xxii. Explain the composition and functions of the VAT Tribunal.
- xxiii. Explain the procedure for VAT audit and investigation.

b. Stamp duties

- i. Explain the nature, objectives and administration of stamp duties.
- ii. Explain the forms of stamp duties and method of computation of each.
- iii. State the instruments and receipts liable to stamp duties.
- iv. State the instruments exempted from stamp duties.
- v. Identify the relevant tax authorities for collection.
- vi. Explain the functions of the Commissioner for Stamp Duties.
- vii. Explain the modes of denoting stamp duties.
- viii. Explain when electronic documents are regarded as received in Nigeria.
- ix. Explain duties on loans, credit facilities, and other agreements.

- x. Explain electronic money transfer levy.
- xi. Explain duties on contracts.
- xii. Explain the process of adjudication, the limits, and appeal procedures.
- xiii. Explain the consequences for non-compliance with the provisions of the Stamp Duties Act Cap. S8 LFN 2004 (as amended).

4. Withholding tax (WHT), customs and excise duty, and luxury tax 5%

a. Withholding tax (WHT)

- i. Explain the nature, objectives, and administration of WHT.
- ii. Identify the relevant tax authority for collection of WHT.
- iii. State the transactions subject to WHT, exemptions, and applicable rates.
- iv. Explain the exemption of “sales in the ordinary course of business from WHT”, taking into consideration the judgement of Tax Appeal Tribunal, Lagos, on November 30, 2020.
- v. Explain the procedure for filing, contents of WHT return, and remittance to relevant tax authorities.
- vi. Explain the treatment of withholding tax receipts/ credit notes.
- vii. Explain the procedure relating to WHT refunds.
- viii. Explain the merits and demerits of WHT refunds.
- ix. Explain the penalty for late remittance and non-deduction of withholding tax from payments to third parties.

b. Customs and excise duties

- i. Explain the nature, objectives, and administration of customs and excise duties.
- ii. State the rates and basis of computation.
- iii. Identify excisable items.
- iv. Explain the provisions relating to the furnishing of information by manufacturers and keeping of goods.
- v. Explain the offences and penalties.

c. Luxury tax

- i. Explain luxury tax.
- ii. Identify the relevant goods and services.
- iii. State the applicable rate for each of the goods and services.
- iv. Explain the benefits of taxation of luxury goods.

5. Personal income tax (PIT) 20%

a. Taxation of employment income

- i. Explain employment income.
- ii. State taxable persons under the enabling Act.
- iii. Explain and differentiate between contract of employment and contract for employment.
- iv. Differentiate between types of employment:
 - Nigerian employment; and
 - Foreign employment.

- v. Identify the relevant tax authorities.
- vi. Explain the importance of residence of a taxpayer.
- vii. Explain itinerant worker.
- viii. Explain registration of employees for Pay-As-You –Earn (PAYE).
- ix. Explain the operation of PAYE.
- x. Explain filing of annual returns by employers in respect of emoluments paid to employees in the preceding year.
- xi. Explain the basis of assessment of an employee.
- xii. Explain the exemption of minimum wage earners from the payment of personal income tax.
- xiii. Identify the incomes chargeable as well as allowable and non allowable expenses.
- xiv. Explain the general provisions relating to valuation of benefits-in kind (BIK).
- xv. Compute gross emoluments/ total income.
- xvi. Identify tax exempt deductions.
- xvii. Compute gross income.
- xviii. Compute consolidated relief allowance (CRA).
- xix. Compute chargeable income.
- xx. Compute personal income tax payable.
- xxi. Compute minimum tax payable.
- xxii. State the offences and penalties payable.

b. Taxation of investment income

- i. Explain franked investment income.
- ii. Explain the basis of assessment.
- iii. Identify allowable and non-allowable expenses.
- iv. Compute rental income chargeable to tax on property.
- v. Explain the tax implications on dividends and interests.

c. Taxation of sole traders /self employed individuals

- i. Explain badges of trade, trade and profession.
- ii. Explain the basis of assessment.
- iii. Identify taxable and non- taxable income.
- iv. Identify allowable and non-allowable expenses.
- v. Ascertain adjusted profit/(loss).
- vi. Explain the rules for commencement, change of accounting date and cessation of business.
- vii. Explain the treatment of losses.
- viii. Identify qualifying capital expenditure.
- ix. Compute capital allowances.
- x. Compute balancing adjustments on disposal of qualifying capital expenditure.
- xi. Explain the treatment of capital allowances for small companies.
- xii. Identify tax exempt deductions.
- xiii. Compute gross income.
- xiv. Compute consolidated relief allowance (CRA).
- xv. Compute chargeable income.
- xvi. Compute personal income tax payable.
- xvii. Compute minimum tax payable.
- xviii. State the offences and penalties.

d. Taxation of partners in partnerships

- i. Explain partnership.
- ii. State the relevant tax office.
- iii. Explain the basis of assessment.
- iv. Explain the treatments of admission and retirement of partners, as well as the amalgamation of partnerships.
- v. Explain tax treatment of conversion of a partnership to a limited liability company.
- vi. Explain the rules of commencement and cessation relating to partnership income.
- vii. Identify allowable and non allowable expenses.
- viii. Compute the income of a partnership business.
- ix. Explain the treatment of partnership loss.
- x. Compute capital allowances and explain its treatment in the taxation of partnership business.
- xi. Ascertain the computed income of the partners.
- xii. Identify the tax exempt deductions.
- xiii. Compute the gross income.
- xiv. Compute the consolidated relief allowance (CRA).
- xv. Compute the chargeable income of partners.
- xvi. Compute the personal income tax payable
- xvii. Explain taxation of limited liability partnership income.

e. Taxation of trusts, settlements and estates

- i. Define trust, settlement and estate.
- ii. Identify persons chargeable.
- iii. Identify the relevant tax authority.
- iv. Explain what constitutes significant economic presence of a non-resident individual, executor, or trustee.
- v. Explain the basis of assessment.
- vi. Identify and explain allowable and non-allowable expenses.
- vii. Determine income from trust, settlement, and estate.
- viii. Ascertain computed income.
- ix. Compute income liable to tax in the hands of beneficiaries and trustees.
- x. State and explain offences and penalties.

6. Companies income tax (CIT)

20%

- a Define small, medium-sized and large companies.
- b State persons chargeable to CIT.
- c Identify taxable and non- taxable income.
- d Identify allowable and non – allowable expenses.
- e Explain the treatment of expenses incurred in deriving tax exempt income.
- f Define gross turnover.
- g Compute adjusted/ assessable profit.
- h Explain the rules of commencement, change of accounting date and cessation of business.
- i Explain the bases of assessment.
- j Explain the treatment of losses.
- k Identify qualifying capital expenditure.

- l State. the rates and conditions for granting capital allowances.
- m Compute capital allowances.
- n Explain rural investment allowance.
- o. Explain local plants and fabrication of spare parts.
- p. Explain the restriction on capital allowances, including those of small companies
- q Compute total profit.
- r Compute companies income tax by applying the applicable rates of tax to the total profit.
- s Compute companies income tax, using other bases, such as dividend and gross turnover
- t Compute minimum tax.
- u Explain the exemption of small companies from the payment of CIT.

7. Taxation of specialised businesses

5%

- a Explain the taxation of enterprises in free trade zones.
- b Explain the tax provisions relating to agricultural business and primary agricultural production.
- c Explain the taxation of foreign air and sea transport companies.
- d Explain the taxation of foreign companies engaged in cable undertakings (telecommunications).
- e Explain the taxation of banks and insurance businesses.
- f Explain the taxation of authorised unit trust scheme.
- g Explain the tax provisions of the Nigerian Information Technology Development Act (NITDA), 2007 (as amended).
- h Explain the tax provisions relating to real estate investment companies which are approved by the Securities and Exchange Commission under the relevant provisions of real estate investment scheme (REIS).
- i. Explain the tax implications of the operation of regulated securities lending transactions in Nigeria.
- j. Explain the provisions of the National Agency for Science and Engineering Infrastructure (NASANI) Act, 1992, as they relate to taxation add as amended by Finance Act.
- k. Identify the legal basis for the taxation of non-governmental organisations (NGOs) in Nigeria as well as other obligations and exemptions as specified under the relevant tax legislations.
- l Explain the provisions of the Nigerian Police Trust Fund (Establishment) Act, 2019, as they related to 0.005% of the net profits of companies operating in Nigeria.
- m Define and explain e-commerce and e-business.
- n Differentiate between e-commerce and e-business.
- o Explain the CIT, VAT and WHT implications on e-commerce.

8. Tertiary education tax (TET)

5%

- a. Explain the management and administration of the tertiary education trust fund (TET fund).
- b. Explain the composition and functions of the Board of Trustees.
- c. Explain the exemption of small companies from the payment of TET.
- d. Explain the imposition, assessment and collection of tax.
- e. Explain the allocation and distribution of the tax amongst different tiers of government.
- f. Compute tertiary education tax.

- g. State the offences and penalties.

9. Capital gains tax (CGT)

5%

- a. Explain the nature, objectives and administration of capital gains tax.
- b. Identify the relevant tax authority.
- c. Explain the treatment of compensation for loss of office.
- d. Explain the responsibility of a taxpayer relating to the remittance of capital gains tax in respect of compensation for loss of office.
- e. Explain the conditions that must be met before assets transferred or sold in business reorganisation and restructuring are exempted from capital gains tax.
- f. Explain how the gains accruing to a person from disposal by it of Nigerian government securities, and shares of any Nigerian company registered under the Companies and Allied Matters Act, shall be treated for tax purposes.
- g. Explain the allowable and disallowable expenses.
- h. Identify exempt chargeable gains.
- i. Explain artificial and fictitious transactions.
- j. Explain roll-over relief.
- k. Compute chargeable gains tax.
- l. Explain the offences and penalties.

10. Application of information technology in taxation

5%

- a. Explain computer applications for tax planning, computations and administration, for example, web portals.
- b. Explain the key features of integrated tax administration system (ITAs) of Federal Inland Revenue Service (FIRS) which include:
 - i. Electronic registration of a taxpayer with the FIRS and validation of tax identification number (TIN);
 - ii. Online submission of tax returns;
 - iii. Electronic tax payment to FIRS;
 - iv. Processing of electronic tax clearance certificate (TCC); and
 - v. Automated filing and collection system of value added tax (VAT) as it relates to branded shops, super shops, supermarkets and standard restaurants.
- c. Explain excel payroll software template for the computations of employees tax.

Recommended texts

1. ATSWA Study Pack on Taxation
2. ICAN Taxation Study Text (2021). Lagos: VI Publishers.
3. Companies and Allied Matters Act, 2020.
4. Finance Acts 2019, 2020 and 2021
5. Taxation journals and government circulars.

PAPER 11: PREPARING TAX COMPUTATIONS AND RETURNS GHANA

AIMS:

The aims of this paper are to examine candidates' knowledge and understanding of:

- a. the meaning of taxation and various aspects of tax system (tax policy, tax laws and tax administration) of the ABWA member countries;
- b. tax computations for individuals and businesses resident in member countries for the purposes of Personal Income Tax, Companies Income Tax, Capital Gains Tax, Value Added Tax and Tertiary Education Tax as applicable to member countries; and
- c. all issues relating to filing of returns to relevant tax authorities of (ABWA) member countries.

OBJECTIVES:

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

- a. Explain the basic operation and scope of the member country's tax system,
- b. Compute Adjusted Profit or Loss computation for trade and vocations;
- c. Compute **Pay-As-You-Earn**(PAYE) as it relates to employees;
- d. Prepare direct assessment on individuals;
- e. Compute Companies Income Tax;
- f. Compute Taxation of Capital Gains ;
- g. Compute Value Added Tax and Stamp Duties;
- h. Compute Tax on property and investment income;
- i. File the necessary returns to the relevant tax authorities; and
- j. Identify and explain the taxes and levies collectible by different tiers of government or relevant tax authorities in member countries.
- k. Attend to the queries from the Ghana Revenue Authority.

STRUCTURE OF PAPER:

The paper will be a three-hour paper divided into two sections:

- Section A** (50 Marks): This shall consist of 50 compulsory questions made up of 30 multiple-choice questions and 20 short -answer questions covering the entire syllabus.
- Section B**(50 Marks): Six questions, out of which, candidates are expected to answer four, each at 12½ marks.

CONTENTS:

1. **Introduction to Taxation** **10%**
 - a. Definition and the Role of Taxation (Economic Role and Social Role of Taxation)
 - b. Principles of Taxation
 - c. Types of Taxes
 - d. Classifications of Taxes
 - e. The structure of tax system in Ghana
 - f. Sources of Ghana Tax Laws
 - g. Tax Yield, Tax Rate, Tax Incidence, Tax Impact, Tax Shift and Tax Effect
 - h. Distinguish between Taxes and Levies such as National Health Insurance, Covid-19 Health Recovery levy, GET/Fund
 - i. Basis of Taxation : Resident and Non-Resident Persons
 - j. Assessable Income from Employment, Business and Investment
 - k. Chargeable Income

2. **Administration of Taxes** **20%**
 - a. The nature of Ghana Revenue Act 791 Act 2019
 - i. The Ghana Revenue Authority
 - ii. Functions of the Ghana Revenue Authority
 - iii. The objectives of the Ghana Revenue Authority
 - iv. Regulations, Practice Notes , Private Rulings and Class Rulings
 - v. Offences, Penalties and Appeals
 - b. Practical Procedures for Registration of Taxpayers for tax types and for Ghana Card (Taxpayer Identification Numbers)
 - c. Knowledge of documents necessary for filing returns for taxes and dealing with the relevant tax authorities.
 - d. Returns
 - i) Individual Taxpayer's Returns
 - ii) Corporate Taxpayers' Returns
 - iii) Timing of Filing of Returns
 - e. Types of Assessment
 - i) Self Assessment Scheme– Nature and Benefits
Administrative assessment
 - ii) Pre-emptive Assessment
 - iii) Audit Assessment
 - f. Terms of Payment
 - g. Failure and Penalties for Late Payment
 - h. Computation of Royalty
 - i. Introduction to Ethical Issues- Confidentiality and Conflict of Interest
 - j. Distinction between Tax Avoidance, aggressive tax avoidance and Tax Evasion
 - k. Tax Clearance Certificate-Nature, Relevance
 - l. Taxes and Levies (approved list for collection) in Member Countries

3. **Personal Income Tax** **20%**
- a. Imposition of Tax
 - b. Taxable Persons
 - c. Define Contract of Employment and Contract for Employment
 - d. Distinguish between Types of Employment:
 - i) Ghana Employment; and
 - ii) Foreign Employment
 - iii) Who is an employee
 - e. Incomes Chargeable
 - f. General Provisions as to quantification of Benefits-in-Kind
 - g. Valuation as to Living Accommodation
 - h. Allowable and Non-Allowable Deductions
 - i. Relevant Tax Authority
 - j. Reliefs and Allowances, and Tax Exempt Deductions
 - k. Taxable Income of Partnership
 - l. Computation of tax payable by Partners in a partnership
 - m. Basis for Computing Assessable Income
 - n. Commencement of Business
 - o. Change of Accounting Dates
 - p. Cessation of Business
 - q. Ascertainment of Gross Emoluments and Assessable Income from Employment
 - r. Collection and Recoveries
 - s. Objections and Appeals
 - t. Offences and Penalties
 - u. Taxation of Trusts
 - i) Define Trust and Estate of the Deceased Person and Incapacitated person
 - ii)
 - iii) Determine Taxable Income of Trusts
 - iv) Determine Income from Trust
 - v) Identify and Explain Allowable and Non-allowable Expenses
 - vi) Compute Tax Liability in the Hands of Beneficiaries and Trustees
 - vii) State and Explain Offences and Penalties
 - u. Taxation of Investment Income
 - i) Compute Rent on Property, including Contractor- financed Projects
 - ii) State and Explain the Tax Implications on Dividends and Interests
 - iii) Explain the Bases of Assessments and Payment of Taxes on Investment Incomes.

4. **Companies Income Tax** **20%**
- a. Basis for Computing Assessable Profits
 - b. Commencement of Business
 - c. Change of Accounting Dates

- d. Cessation of Business
- e. Computation of Minimum Tax
- f.
- g. Free Zone Enterprise
- h.
- i. Capital Allowances– Types of Allowances and Conditions for Granting Allowances
- j. Total Profits and Tax Liabilities
- k. Explain the meaning of Exempt Amounts and what constitutes exempt
- l. Allowable and Non-Allowable Deductions
- m. Treatment of Business and Investment Losses
- n. Personal Reliefs and Allowances
- o. Filing of Tax Returns
- p. Outline and Apply the Tax Provisions for Real Estate and Agriculture
- q. Taxation of Foreign Air and Sea Transport Companies
- r. Taxation of Foreign Companies Engaged in Cable Undertakings (telecommunications)

5. **Withholding Tax 5%**

- a. Meaning of withholding tax, withholdee, Authorized agents
- b. Deduction of Tax at Source
- c. Withholding Tax on Rent, Interest Royalty, Dividends, Directors Fee, Commissions, Part-time Teachers allowance, Invigilators' allowance, examiners' allowance and Professional Fees, Technical and Management fee and Contract of supplies
- d. Withholding Tax Rates
- e. Exemptions from Withholding Tax
- f. Remittance to Relevant Tax Authorities
- g. Treatment of Withholding Tax Receipts
- h. Payment of withholding tax
- i. Failure to withhold tax
- j. Withholding VAT and the Reasons for the Withholding VAT

6. **Taxation of Gain on the Realization of Capital Assets**
10%

- a. Relevant Tax Authority
- b. Administration
- c. Computation of Chargeable Gains
- d. Cost
- e.
- f. Consideration Received
- g. Market Value
- h. Returns and payment of tax

7. **Value Added Tax (VAT) and Stamp Duties** **10%**
- (a) **Value Added Tax**
- i. Administration
 - ii. Registration
 - iii. Taxable Persons , Activities and Services
 - iv. Preparing and filing of VAT Returns
 - v. Input and Output VAT
 - vi. Exempt supplies VAT Records
 - vii. Returns Output VAT Records
 - viii. Recovery
 - ix. Zero Rated Supplies
 - x Relief Supplies
 - xi Mixed Supplies
 - xii Partially Exempt Taxpayers
- Offences and Penalties
- (b) **Stamp Duties**
- i. Nature and Objectives
 - ii. Forms of Stamp Duties and Computation
 - iii. computation of stamp duty on transfer from
8. **Gift Tax** **5%**
- a. Imposition of tax
 - b. Taxable Gift
 - c. Valuation
 - d. Returns and Payment of tax

RECOMMENDED TEXTS

1. ATSWA Study Pack on Taxation
2. ICAG Principles of Taxation manual 2019
3. Ali-NakyeaAbdallah-Taxation in Ghana, Principles, Practice & Planning
4. Taxation Journals and Government Circulars

Paper 12: MANAGEMENT

Aim

The aim of this paper is to examine candidates' knowledge and understanding of business and non-business organisations with emphasis on managerial knowledge, attitude and skills required to achieve efficient operations of such organisations in a dynamic environment.

Objectives

On completion of the paper, candidates should be able to:

- (a) Define and explain the nature of business and non-business organisations;
- (b) Explain the resources of business;
- (c) Define and explain the nature of business environment and its relevance for policy decisions of management;
- (d) Explain the concept of corporate social responsibility;
- (e) Explain ethics in business, corporate governance and their relevance in business environment;
- (f) Define and explain the basic concepts, principles, theories, techniques of management, strategic management and their applications to management problems;
- (g) Explain the nature, role, function, procedures and the inter-relationships of the organic business functions of marketing, production, personnel and accounting;
- (h) Explain the management of people for effective working relationships;
- (i) Explain the pillars of emotional intelligence and their impact on employee performance;
- (j) Explain business process re-engineering (BPR);
- (k) Explain organisational effectiveness;
- (l) Explain the elements of office practice and procedures; and
- (m) Explain the importance of health and safety at the workplace.

Structure of paper:

The three-hour paper will be divided into two sections:

- (a) **Section A (50 marks) :** This shall consist of 50 compulsory questions made up of 30 multiple choice questions and 20 short answer questions covering the entire syllabus
- (b) **Section B (50 marks):** Six questions out of which candidates are expected to answer four, each at 12 ½ marks.

Contents

1. Nature of business

14%

- (a) Introduction to business:
- i. Define and explain business.
 - ii. Explain the need for business.
 - iii. Explain the resources of business.
 - iv. Explain the objectives of business.
 - v. Explain the classification of business.
 - vi. Explain the reasons for business failure.
 - vii. Explain the importance of profit in business.
 - viii. Explain the requirements for success in modern business.
 - ix. Explain general qualities of a good businessman.
 - x. Explain legal forms of business ownership.
 - xi. Explain business stakeholders and their expectations from business.
- (b) Business environment.
- i. Define and explain the term business environment.
 - ii. Explain the classification of the organization environment:
 - The general environment;
 - The task environment; and
 - The internal environment.
 - iii. Explain the major forces in the above three environments with special analysis of the changes in the external environment.
 - iv. Explain the major techniques that organisations adopt to interact effectively with its environment.
- c) Corporate social responsibility, business ethics, and corporate governance.
- i. Explain the nature of social responsibility.
 - ii. Explain the dynamics of social responsibility.
 - iii. Identify the reasons for and against corporate social responsibility.
 - iv. Explain business ethics.
 - v. Explain ethical issues in business and why some managers behave unethically.
 - vi. Explain the guidelines for ethical compliance.
 - vii. Explain ethical practices peculiar to accounting profession.
 - viii. State possible sanctions for breach of ethical compliance in accounting profession.
 - ix. Explain corporate governance.
 - x. State the benefits of corporate governance.
 - xi. Explain the pre-requisite of effective corporate governance in Nigeria.
 - xii. Explain the problems of corporate governance in Nigeria.
 - xiii. Explain the codes of best practices in corporate governance in Nigeria, compliance, effects and sanctions.

2. Management theories and thoughts

14%

- a. Define management.
- b. Explain the nature, objectives and purpose of management.
- c. Explain management as a technique, process, discipline, and profession.
- d. Explain management functions, levels, skills and roles.
- e. Explain management as an art or science.
- f. Explain the universality and transferability of management.
- g. Explain measures of managerial performance, productivity, effectiveness and efficiency.
- h. Explain the following managerial trends:
 - i. Globalisation.
 - ii. The growing importance of quality;
 - iii. Environmentalism;
 - iv. The growing diversity of workforce; and
 - v. Ethical reawakening.
- i. The school of management thoughts.
 - i. Explain the pre-classical thoughts.
 - ii. Explain the classical thoughts.
 - iii. Explain the behavioural thoughts.
 - iv. Explain the quantitative management schools /operation research/ management science approach.
 - v. Explain the contemporary approaches to management thoughts.
 - vi. Explain the recent/emerging management thoughts.

3. Management process

16%

- a. Planning
 - i. Define planning.
 - ii. Explain the meaning, principles and importance.
 - iii. Explain the dimensions/types of plans.
 - iv. Explain planning process/steps.
 - v. Explain the levels of plans, benefits, tools and barriers to effective planning.
- b. Decision making
 - i. Explain decision making.
 - ii. State and explain the characteristics of decisions, types and process of decision making.
 - iii. Explain the decision making situations and models.
 - iv. State and explain the factors that affect decision making in groups.
- c. Organising

- i. Define organising.
 - ii. Explain the meaning, nature, purpose and principles of organization.
 - iii. State and explain the characteristics of organisations.
 - iv. Explain the classifications of organisations.
 - v. Explain the factors influencing management choice of organisational structure.
 - vi. Explain the consequences of badly designed organisational structure.
 - vii. State and explain the types or forms of organizational structure.
 - viii. Explain delegation of authority.
 - ix. Explain span of control and concept of organisational culture.
 - x. Explain centralisation and decentralisation of authority.
- d. Coordination
- i. Define Coordination.
 - ii. Explain the meaning of coordination and state types of coordination.
 - iii. Explain the need and objectives of coordination.
 - iv. Explain the techniques of coordination.
- e. Controlling
- i. Define controlling.
 - ii. Explain the meaning, purpose/importance of controlling.
 - iii. Explain the link between planning and control.
 - iv. Explain areas/types of control and the process of controlling.
 - v. State and explain the characteristics of effective control system.
 - vi. State the characteristics of effective control system.
- f. Strategic management
- i. Define strategic management.
 - ii. Explain the meaning of strategy.
 - iii. Explain the purpose of strategic management.
 - iv. Explain strategic management process.
 - v. Explain SWOT analysis.
 - vi. Explain levels of strategic management.
 - vii. Differentiate between corporate and divisional strategies.

(4)

Organic business functions

15%

- a. Human resources management.
 - i. Define human resources management.
 - ii. Explain the meaning of human resources management.
 - iii. State and explain the components of human resources management.
 - iv. Explain the functions of human resources management .
 - v. Explain human resources planning and its processes.
 - vi. Explain recruitment, selection and placement.

- vii. Explain job analysis, job design and job specification.
 - viii. Explain training and development.
 - ix. Explain performance appraisal.
 - x. Identify methods and the criteria for effective performance appraisal.
 - xi. Explain wage and salary administration.
 - xii. Identify and explain components of wage and salary.
 - xiii. Explain the objectives of wage and salary administration.
 - xiv. Explain the principles of wage and salary administration.
 - xv. Identify the components of wage and salary administration.
 - xvi. Explain employee discipline: meaning and its features.
 - xvii. Explain the objectives of discipline and causes of indiscipline in an organisation.
 - xviii. Explain industrial and labour relations.
 - xix. Explain collective bargaining.
 - xx. Identify the grievance and dispute settlement procedures in an organisation.
- b. Production function
- i. Define production.
 - ii. State the objectives of production.
 - iii. Define production management.
 - iv. State factors to consider in plant location.
 - v. State and explain the functions of production management.
 - vi. Define plant layout.
 - vii. State the objectives of plant layout.
 - viii. State the principles of plant layout.
 - ix. State the factors that can influence plant layout.
 - x. Explain production systems and their features.
- c. Marketing function:
- i. Define marketing.
 - ii. Explain the evolution of marketing management.
 - iii. State and explain the functions of marketing.
 - iv. Explain marketing segmentation.
 - v. State and explain marketing mix using the 4Ps of marketing.
 - vi. Explain the extended 7Ps of marketing.
- d. Finance and accounting functions.
- i. Explain the meaning of finance.
 - ii. Explain the meaning of financial markets.
 - iii. Explain money market.
 - iv. Explain capital market.

- v. Explain the role of participants in the money market.
- vi. Explain the capital market.
- vii. State and explain the functions of money and capital markets.
- viii. Explain the purpose and importance of accounting function.
- ix. Explain the structure of an accounting department in a typical organisation.

(5) **Managing of work relationships.** **16%**

- a. Motivation.
 - i. Define motivation.
 - ii. Explain types of motivation.
 - iii. Explain factors affecting motivation.
 - iv. Explain the motivation theories.
 - v. Explain the techniques for motivating employees.

- b. Leadership
 - i. Define leadership.
 - ii. Explain the functions of a leader;
 - iii. Explain the leadership styles.
 - iv. *Explain the qualities of an effective leader.*
 - v. *State and* explain types of leaders.

- c. Groups
 - i. Define groups.
 - ii. Explain type of groups.
 - iii. Define teams.
 - iv. Compare groups with teams.
 - v. Explain the process of group development.

- d. Conflict management
 - i. Define conflict management.
 - ii. Explain types, development and sources of conflict.
 - iii. Explain conflict outcomes and conflict management.

- e. Explain work place attitude.

- f. Explain the features of work attitude that assures good performance.

- g. Communication
 - i. Define communication.
 - ii. Explain communication process, types of communication and patterns of organisational communication.

- iii. Explain functions of communication.
 - iv. Explain principles of effective communication.
 - v. Explain barriers to effective communication and how to overcome the barriers.
- h. Emotional intelligence.
- i. Explain Emotional intelligence.
 - ii. Identify and explain the five major features or elements of emotional Intelligence.
 - iii. Explain the importance of emotional intelligence in employee's performance and career development.
- i. Management of change:
- i. Define management of change.
 - ii. Explain the nature and meaning of organisational change;
 - iii. Explain forces of organizational change.
 - iv. Explain the reasons for resistance to change.
 - v. Explain how to reduce resistance to change.
- (6) **Business process re-engineering** **8%**
- a. Explain business process re-engineering (BPR).
 - b. State the objectives of BPR.
 - c. Explain how to implement BPR.
 - d. State and explain the objectives of BPR.
 - e. State and explain the benefits of BPR.
- (7) **Organisational effectiveness** **7%**
- a. Define organisational effectiveness.
 - b. Explain the approaches of organisational effectiveness.
 - c. Explain the existing models of organisational effectiveness.
- (8) **Office practice and procedure, health and safety.** **10%**
- a. Explain the meaning of an office.
 - b. Explain the functions of an office.
 - c. Identify the types of an office.
 - d. Explain office planning and layout.
 - e. Explain office machines and furniture.
 - f. Explain organisation and methods.
 - g. Explain forms of designing and control.
 - h. Explain information technology application in management.
 - i. Explain health and safety regulation.
 - i. Explain importance, health and safety regulations.

- ii. Explain sources of danger to health within the workplace.
- iii. Explain the safety and protection methods in an office setting.

Recommended texts

1. ATSWA study pack on Management.
2. ICAN study text on Business management and finance.
3. Enikanselu , S.A, Akosile, I, and Ojodu,O.J(2012)
Introduction to Business, 3rd edition, Lagos,
Enykon Consult.
4. Oladele P.O., Enikanselu S. A, Oyende I.O (2022)
Strategic Management, Corporate Governance &
Leadership with cases and Answers, Lagos, Enykon Consult.

