

(NBAA)
**THE NATIONAL BOARD OF ACCOUNTANTS AND AUDITORS
TANZANIA**



THE ACCOUNTANCY PROFESSIONAL SYLLABUS

Executive Director

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1.0 INTRODUCTION

This Handbook has been prepared to provide guidance to trainers and candidates preparing for the Board's examinations in the Professional Examination Scheme leading to the Certified Public Accountant (CPA) qualification. The handbook should be read in conjunction with the NBAA Examination and Training Bylaws.

The handbook shows the examination structure and subject relationship/progression as one moves from the lower to the final level. Details concerning candidacy registration, exemption requests, examination entry and training requirements are provided to enable a prospective candidate to easily follow the requirements when applying for candidacy registration and/or requesting for exemption.

For candidates transferring from the phased-out syllabus to the new syllabus, a detailed conversion scheme has been provided to guide the candidate on what papers he/she would be eligible to attempt. The handbook further prescribes the syllabus to be followed in preparation for the examinations. Under each subject area the following items are indicated:

Contact Hours: It is the expected duration that a candidate should spend in direct contact with a tutor or lecturer to sufficiently cover the subject matter.

Subject Descriptions: This provides an overview of the subject matter on what this subject entails to cover.

Aims and Objectives: These broadly show the aims and objectives of the subject matter.

Pre-requisite subject: this shows the lower subject which determines the understanding of the corresponding higher-level subject

Learning Outcomes: These are the expected outputs in the course of learning showing the knowledge and skills that are expected to be imparted to candidates on completion of the course.

Teaching and Learning Strategies: These are the expected inputs in the course of learning

Contents: These show descriptions of areas to be covered in the subject matter.

Time Allocation: It provides guidance on the number of hours to be spent in covering a topic in the subject area.

References: This provides the recommended reading material to be used in the course of learning where main reading is the study guide that has been prepared carefully to cover the whole syllabus for each subject area.

2.0 ABOUT NBAA

The National Board of Accountants and Auditors (NBAA) was established in 1972 by authority of the Auditors and Accountants (Registration) Act No.33 as amended by Act No. 2 of 1995, to among other things, promote and provide opportunities and facilities for the study of, and training in accountancy, auditing and allied subjects. In executing such responsibilities, the Board conducts accountancy examinations twice in a year.

3.0 THE EXAMINATIONS

The Board administers a two-tier examination scheme in the following categories

- (i) Accounting Technician examination scheme
- (ii) Professional examination scheme

These examinations are conducted semi-annually during the months of May and November each year. There are also mid-session examinations which are held in February and August involving eight subjects A5 Business Law, B1 Financial Management, B5 Performance Management, B4 Public Finance & Taxation and C1 Corporate Reporting, C2 Auditing and Assurance Service, C3 Business and Corporate Finance, C4 Advanced Taxation.

The Professional Examination Scheme consists of three levels as follows

Code Subject Name

FOUNDATION Level (Knowledge and Skills Level)

A01	<i>Quantitative Techniques</i>
A02	<i>Business and Management</i>
A03	<i>Financial Accounting</i>
A04	<i>Cost Accounting</i>
A05	<i>Business Law</i>
A06	<i>Business Economics</i>

INTERMEDIATE LEVEL (Skills and Analysis Level)

B01	<i>Financial Management</i>
B02	<i>Financial Reporting</i>
B03	<i>Auditing Principles and Practice</i>
B04	<i>Public Finance and Taxation</i>
B05	<i>Performance Management</i>
B06	<i>Management, Governance and Ethics</i>

FINAL LEVEL

(Professional Analysis, Application and Evaluation Level)

C01	<i>Corporate Reporting</i>
C02	<i>Auditing and Assurance Services</i>
C03	<i>International Finance</i>
C04	<i>Advanced Taxation</i>

All the subjects above are assessed using paper-based examinations of three hours duration.

4.0 MINIMUM ENTRY REQUIREMENTS FOR PROFESSIONAL EXAMINATIONS

A prospective candidate seeking to register for the Professional Examinations must show evidence of being a holder of any one of the following qualifications.

4.1 Foundation Level – Knowledge and Skills Level

EITHER: NBAA's Accounting Technician Certificate (ATEC)

OR

A two-year Diploma in Accounting/ Accounting and Finance (NTA level 6)

OR

A degree from a recognized University/ institution of higher learning (non-accounting) where in such a case the exemptions to be granted shall be considered on subject-to-subject basis depending on candidate's specialty.

4.2 Intermediate Level - Skills and Analysis

EITHER NBAA's Foundation Level Statement of Success Letter as per the conversion scheme indicated from page 17

OR A bachelor degree majoring in Accounting/Accounting and Finance from a recognized University/Institution of Higher Learning.

4.3 Final Level – Professional Analysis, Application and Evaluation)

NBAA Intermediate Level Statement of Success letter as per conversion scheme indicated from page 17.

4.4 Qualifications Obtained Outside Tanzania:

Holders of qualifications obtained outside the country who wish to pursue the accountancy profession in Tanzania are required to submit together with their application request, transcripts and detailed syllabus of the programme undertaken for consideration. In whatever case, the institution must be an accredited institution by an approved regulatory body in the country where it has been obtained.

The applicants shall further be required to get a confirmation of such recognition from either Tanzania Commission for Universities (TCU) or National Council for Technical Education (NACTVET) as the case may be.

5.0 RECOGNITION OF QUALIFICATIONS FOR PURPOSES OF EXEMPTION

A qualification shall be eligible for an exemption only if that exemption is claimed within five years after being obtained. Any qualification obtained within or outside the country which is lodged after the stated period shall not be considered for exemption from parts of the Board's examinations. Such a qualification will have to start at the first level of the professional examination i.e., Foundation level.

6.0 CANDIDACY REGISTRATION AND EXAMINATION ENTRY

Prospective candidates wishing to register with the Board are required to observe the following registration procedures:

6.1 PROCEDURES FOR CANDIDACY REGISTRATION

- (a) The NBAA examination calendar provides for four examination diets in a year. The examinations are normally held during the months of February, May, August and November.
- (b) Dates for Candidacy Registration and Examination Entry are as follows:

- **CLOSING DATE OF RECEIVING APPLICATIONS
(CANDIDACY AND EXAMINATIONS)**

Prospective candidates wishing to write an examination at the May sitting or November sitting must register their candidacy with the Board using the online system available on the Board's website. The specific dates for these sittings will be announced by the Board and Candidates must complete their registrations before stipulated deadlines filling out the online applications forms.

- (c) The duly completed online application form with all necessary prerequisites, listed under para (d) below, should be submitted on or before the prescribed dates by the Board. An application for candidacy registration received after the closing date shall be liable for penalty fee as indicated in the online application system.
- (d) The duly filled Candidacy Registration should be submitted with the following attachments:
 - (i) Recently taken passport size photographs taken on white or blue background size 2x2 cm (showing a full face with two ears of the applicant)
 - (ii) Photocopies of all certificates relevant to the application, authenticated by a Magistrate, Notary Public or by the Executive Director of the Board.
 - (iii) Applicable Registration and/or Exemption and Subscription Fee.

- (e) As evidence of registration as a candidate, the Board shall issue an “Identity Card” to every registered candidate. The Identity Card bears the candidate’s registration number (CR. No.), the number which will be the permanent examination reference number for purposes of all communication with the NBAA.

The identify card shall be required for admission requirements to the examination hall. It is important, therefore, for a candidate to preserve it securely and produce it when needed during the examinations.

- (f) No change of names by the prospective candidate shall allowed at the time of registration. Prospective candidates shall use the names appearing on the certificates which qualified the prospective candidate for admission.

6.2 EXAMINATION ENTRY PROCEDURES

- (a) Applications to write the examinations must be made online the prescribed form which is available in the online application system. An applicant must, prior to application to examination entry, must be a registered candidate i.e. has already filled and submitted to the Board the online Candidacy Registration form.
- (b) Application dates for May and November examination will be announced by the board from time to time.
- (c) A candidate shall be admitted to sit for the Board’s examinations at any one of its levels subject to the regulations applicable to that examination, provided that:

- (i) The candidate possesses the qualifications prescribed as the minimum necessary to sit that particular level of examination.
- (ii) The application is made on the prescribed online form, the form which is available from Board's online application system.

The duly filled online form is submitted on or before the prescribed closing date and is accompanied by appropriate examination entry fees.

Late applications are liable for penalty fee as indicated in the examination entry form.

- (iii) The candidate has met the minimum training requirements provided by approved Tuition Provider, and the online examination application form has been endorsed by the tuition provider certifying that the candidate is ready to sit for the examinations.
- (d) The candidate must indicate in the online examination application form, an examination centre preferred to take the examinations. The Centres currently approved by the Board are available for selection in the online application form. Examinations are conducted in as many centres in the country as the Board may determine from time to time.
- (e) Change of examination centre shall be allowed if lodged in writing at least one month before the date the examination is to commence. Late requests for change of centre shall not be entertained.
- (f) The candidate once accepted to take the examinations shall later receive an Examination Admission letter, containing the examination time table specifying the centre at which the candidate shall write the examination. Detailed instructions to examination candidates shall be enclosed and

should be read carefully. The Admission Docket shall be posted in the candidates' portal in the online application system.

- (g) An examination candidate will be allowed to enter in the examination room on production of an examination admission letter and NBAA Identity Card.

a. ORDER OF TAKING EXAMINATIONS AND EXAMINATIONS COMPLETION PERIOD

A registered candidate is required to observe this requirement while applying to sit for any level of the Board's examinations to take advantage of the options available.

Professional Examinations:

6.3.1 Foundation Level (Knowledge and Skills)

A candidate is at liberty to choose the number of papers to attempt in this level and shall be allowed to retain a pass obtained in any subject attempted on scoring a pass grade.

A candidate applying to sit for the Foundation level examinations shall be required to pass all the papers in that level before being allowed to move to the next level. In some cases, a candidate may be allowed to sit for both Foundation and Intermediate Levels provided that the subjects should not exceed five.

6.3.2 Duration of retaining passed papers:

A candidate shall be given a maximum of six years to complete the passed papers in that level, failure of which the passes of the previously passed papers shall be withdrawn and a candidate shall have to re-sit all the papers in that level.

6.3.3 Maximum Time Limit to Complete the Foundation Level

A candidate shall be given a maximum of six years to complete the Foundation level before being

automatically deregistered.

6.3.4 Intermediate Level (Skills and Analysis)

A candidate is at liberty to choose the number of papers to attempt in this level and shall be allowed to retain a pass obtained in any subject attempted on scoring a pass grade.

A candidate applying to sit for the Intermediate level examinations shall be required to pass all the papers in that level before being allowed to move to the next level.

6.3.5 Duration of retaining passed papers:

A candidate shall be given a maximum of six years to complete the passed papers in that level, failure of which the passes of the previously passed papers shall be withdrawn and a candidate shall have to re-sit all the papers in that level.

6.3.6 Maximum Time Limit to Complete the Intermediate Level

A candidate shall be given a maximum of six years to complete the Intermediate level before being automatically deregistered.

6.3.7 Final Level (Professional Analysis, Application and Evaluation)

A candidate applying to sit for the Final level examinations shall be required to pass all the papers in that level to qualify as a CPA (T).

A candidate is at liberty to choose the number of papers to attempt in this level and shall be allowed to retain a pass obtained in any subject attempted on scoring a pass grade.

6.3.8 Duration of retaining passed papers:

A candidate shall be given a maximum of six years to complete the papers in that level, failure of which the

passes of the previously passed papers shall be withdrawn and a candidate shall have to re-sit all the papers in that level.

6.3.9 Maximum Time Limit to Complete the Final Level

A candidate shall be given a maximum of six years to complete the Final level before being automatically deregistered.

b. EXAMINATION POSTPONEMENT

6.4.1 Postponement within Acceptable dates

A candidate wishing to withdraw from an examination, may do so in writing and is required to lodge the application to reach the Board on or before 15th March—for the May examinations and 15th September for the November examination. In such cases, full fee shall be carried forward to the immediate next examination session. A candidate shall, however, be required to fill a fresh examination entry form and submit it before the normal closing date of receiving the application to examination entry.

6.4.2 Postponement after the acceptable dates Application to postpone the examinations received after the acceptable dates i.e., after 15th March for May examinations and 15th September for November examinations shall not be entertained. In such situations, a candidate shall be required to pay afresh all the applicable fees.

6.4.3 Postponement due to Ill-health (medically unfit)

6.4.3.1 A candidate falling sick during the examination week may lodge an application to

postpone from an examination in writing. The application should be supported by a valid medical report from the registered practitioner to substantiate the claim.

6.4.3.2 Treatment sheets, prescriptions, sick sheets for purposes of validating a postponement claim shall not be considered for this purpose.

6.4.3.3 A candidate whose application for postponement has been accepted by the Board, shall be required to fill a fresh examination entry form applying for the examination the next coming session and lodge it on or before the closing date of receiving the applications.

Half of the fees paid may be carried forward to the next examination session upon application.

6.4.3.4 A candidate whose application for postponement has accepted his/her fees shall be carried next session and not thereafter.

6.4.3.5 Postponement fee shall be carried next session and not chance.

c. REQUESTS FOR EXEMPTION

- i. Applicants seeking exemptions in parts of the Board's examinations shall indicate such requests in the Online Candidacy Registration and Exemption form by filling an appropriate section of the form.

Candidates seeking exemptions for any subject(s) in a specific examination level should finalize their exemption applications before sitting for the

respective subject(s) in the exam. To ensure adequate time for verification and assessment of exemption applications, candidates should lodge their applications at least two months prior to the end of the examination session

- ii. An applicant shall be required to submit detailed syllabus and transcripts for the programme(s) undertaken showing the subject content details for the subject(s) in which exemption is sought for assessment.

In cases where the institutional program has already been assessed by the Board and exemption to the program granted (this applies to the accounting programmes offered by the institutions of higher learning within the country) then the syllabus need not be attached.

- iii. An application for exemption shall not be considered if an applicant has already attempted any subject in that level.
- iv. The Board shall consider an applicant's request for exemption upon being satisfied that the coverage of the subject(s) being requested for exemption adequately covers at least 80% of the NBAA syllabus.
- v. In all instances, it is important to show proof that the University or institution awarding that qualification is an accredited institution. Such a proof can be obtained from Tanzania Commission for Universities (TCU) or National Council for Technical Education (NACTVET) as the case may be.
- vi. The application for exemption shall have to be finalized before attempting an examination level for which exemption is sought.

- vii. The exemption sought by an applicant shall be considered on a subject-to-subject basis upon receipt of adequate evidence of the content of the subjects in which exemption is sought.
- viii. No exemption shall be granted at the Intermediate (Skills and Analysis Level) and at the Final Levels (Professional Analysis, Application and Evaluation Level) of the Board's examinations except for foreign CPA holder.
- ix. NBAA's candidates transferring from the phased-out examination scheme to the new examination scheme shall enjoy exemptions on the previously passed papers as shall be spelt out in the conversion scheme.

7.0 FEES

An applicant wishing to register and sit for the Board's examinations shall be required to pay appropriate fees upon submission of the online candidacy registration and/or online examination application form.

7.1 Major Types of Fees

There are four major types of fees payable by the applicant to the Board:

- (i) The first type of fee is a **Candidacy Registration Fee** which is payable upon submission of a duly completed online Candidacy Registration Form. As evidence of registration, a student shall be given a Candidacy Registration Number (CR. No.) and an identity card bearing that number.
- (ii) The second type of fee is a **Student's Annual Subscription Fee (SASF)** which is payable, by those applicants who are registering with the Board for the first time, upon registration, and thereafter every January of each year. For those who have already registered themselves as candidates, the fee is payable

every year in the month of January. This fee shall to be paid annually by every candidate as long as he/she is registered as a candidate with the Board and wishes to remain in the register of candidates. The fee ceases to be payable when one completes the CPA programme in full or ceases to be registered as a candidate with the Board.

(iii) The third type of fee is an **Exemption Fee**.

This fee shall be payable by those applicants who by virtue of their prior learning, seek exemptions on parts of the Board's examinations. This fee shall be submitted along with the application for candidacy registration or once the amount payable has been determined.

(iv) The fourth type of fee is the **Examination Fee**. This fee shall be payable upon submission of duly filled Examination application Form applying for an examination in an examination level.

7.2 Other types of fees that may be payable depending on the candidate's status may include:

i. Penalty Fee

A candidate who submits an application for candidacy registration and/or examination entry after the closing date of receiving such applications shall be liable for a penalty fee charge which shall be paid along with other applicable fees.

ii. Transcript fee

Transcript fee shall be charged to a candidate who lodges a request for preparation of transcript. A candidate who applies for a transcript shall also be required to submit two coloured identical pass port size photographs.

iii. Loss/renewal of ID fee

A candidate who has lost his/her identity or wants to renew the ID card upon expiry shall be charged such a fee.

iv. Search fee

A candidate who requests for an information which requires for searching of such information shall be required to pay for search fee. Such information may include previous performance records, receipts for payments done to the Board etc.

v. Duplicate certificate fee

A candidate who requests for a copy of his/her certificate shall be required to pay the required fee and submit a police report on loss of such document and copy of public announcement notification.

vi. Appeal fee and late lodgement of appeal fee

A candidate who wishes to appeal against examination results or any penalty imposed shall be required to pay for the service accompanied with a lodgement of appeal form. Similarly, a candidate who lodges an appeal after the stipulated period shall be charged late lodgement of appeal fee.

vii. Application processing fee

Candidate who submits an application for candidacy/examination shall be required to pay fee for the respective form.

The rates for the above fees shall be determined by the Governing Board from time to time.

7.3 Mode of Payment of the fees:

Payments of fees/charges shall be made through control number as shall be obtained through candidates MEMS account.

8.0 TRAINING OPPORTUNITIES

Although the Board does not directly involve itself in training of candidates preparing to sit for its examinations, it collaborates with training institutions both public and private to ensure that quality training is offered to candidates preparing for the examinations.

Training opportunities is available on either part-time or full-time basis as detailed hereunder:

8.1 Part-time Courses:

Candidates aspiring to sit for the Board's examinations must undertake rigorous training offered by the registered tuition providers before sitting for the examinations. The tuition providers conduct training in different modes depending on the varied choices of the learners. The training can be either done during the evening and/or on weekends or on day time where candidates in employment may request for full day release from their employers

The part-time courses have proved to be useful as they provide platforms to exchange knowledge, ask questions and solve problems in group work.

8.2 Full time Courses:

Full-time courses provide structured training schemes resulting into award of certificates, diplomas/higher diplomas or degrees on successful completion of the programme. The institutions which run such programmes follow an approved syllabi which is recognized by the Board and which may result into exemptions on parts of the Board's examinations.

All in all, upon completion of such programmes aspiring candidates must seek registration with the Board as candidates and attend review classes offered by the registered tuition providers before sitting for the examinations.

8.3 Study Aids:

The Board in an endeavour to assist candidates preparing for its examination provides the following:

8.3.1 A specialized reference library:

The Board maintained a specialized library which is stocked with relevant reading materials. The library is at the Mhasibu House Complex. All

registered candidates who are up-to-date with their subscriptions are allowed to use the library throughout the year without additional cost. The learning materials stocked at the library provide additional readings to candidates over and above what is in the specialized learning materials developed specifically for each subject area examined by the Board.

8.3.2 Learning Materials:

The Board has developed specialized learning materials for each subject area which are designed in a manner that candidates can easily grasp and acquire the appropriate knowledge in the area to be examined. The readily available end of chapter questions also helps the candidate to build a solid foundation in answering examination questions.

8.3.3 Other facilities and learning resources provided by the Board include:

- a. Questions and Suggested Solutions of previous examinations
- b. Detailed Examiners' and Performance Report
- c. The Accountant Magazine

9.0 DECLARATION OF RESULTS

The Committee shall vet and issue provisional results that shall be ratified by the Governing Board. The Governing Board shall approve and declare the examination results when it deems fit and such results shall be communicated to candidates immediately after approval.

Candidates shall be informed their examination results in their portal from the online application system and general results shall be displayed on the NBAA Public Notice Board and on the website.

The result letters to each candidate shall show the performance in each paper by using the following codes:

A	=	Distinction	=	80 – 100%
B	=	Credit	=	60 – 79%
C	=	Pass	=	40 – 59%
F	=	Fail	=	0 – 39%
X	=	Did not attempt (Absent)		
E	=	Exempted		
Q	=	Disqualified		

Candidates shall not be informed of the numerical grades scored in any paper.

10.0 Minimum Pass Mark:

The Board shall determine the minimum pass mark to its examinations. The current pass mark for the Professional examinations is 40%.

11.0 NBAA AWARDS

The Certified Public Accountant (CPA) Certificate

A candidate who has successfully completed the Final level examinations shall be awarded a Certificate of Completion of the Certified Public Accountant [CPA(T)].

A candidate who has successfully completed a level, shall be issued with a statement of success Letter for that level.

12.0 TRANSITIONAL ARRANGEMENTS

12.1 Candidates transferring from phased out syllabus to the new syllabus

The Board has in place a system of accommodating candidates transferring from old/phase out syllabus to the new syllabus. A Conversion Scheme has been prepared to take account of candidates who have

completed a level/module or those who have been referred in one or two subjects in the phased-out syllabus (May 2008 – May 2014 syllabus) transferring to the new syllabus.

The following categories of candidates' examination status have been considered in the Conversion Scheme

12.1.1 Candidates who passed a level/module

Candidates who had passed a level/module, now transferring to the new syllabus shall be required to sit for the new subjects that have not been covered in the phased-out syllabus.

12.1.2 Candidates with Referral Status:

Candidates who had referral status, now transferring to new syllabus shall be considered on paper-to-paper basis for all the papers that had not been covered under the new syllabus.

The candidates, however shall be required to observe the progression rule.

12.1.3 Candidates whose referral status was revoked/ withdrawn under the phased-out examination

Candidate with that status now transferring to the new syllabus shall be considered on all the papers that had been revoked plus the all-other papers that had not been covered under the new syllabus.

12.1.4 Candidates who had fail status

Candidates who had failed a level/module now transferring to the new syllabus, shall be considered on the basis of current examination status he/she holds.

12.2 Institutional Qualifications considered for exemption from parts of the Board's examinations
in recognition of prior learning, the Board accredits institutional programmes offered by the accountancy training institutions in the country and grants exemption to those institutions which meet the minimum exemption requirements as follows:

12.2.1 Three years' degree in Accounting specialty/NTA level 8/Advanced Diplomain Accounting Graduates of Bachelor of Accounting/ Bachelor of Accounting and Finance/ Bachelor of Business Administration – Accounting Option or NTA Level 8 accounting program from recognized institutions that had been accredited by the Board shall start at the Intermediate Level (Skills and Analysis Level)

12.2.2 Two year Diploma in Accounting/NTA level 6 Accounting Programs
Holders of Diploma in Accounting/Diploma in Business Administration – Accounting option/NTA Level 6 – Accounting programs from the recognized institutions that hadbeen accredited by the Board shall start at Foundation Level (Knowledge and Skills Level)

12.2.3 Holders of Certificate in Accounting/NTA level 4 with accounting specialty
Holders of Certificate in Accounting/NTA level 4 specializing in Accounting fromrecognized institutions that had been accredited by the Board shall start at ATEC Ilexaminations.

12.2.4 Holders of Non Accounting Qualifications from accredited institutions

12.2.4.1 Non-Accounting Degrees Holders of non-accounting degree qualifications from the accredited institutions shall be considered for exemption on subject to subject basis depending of the area of specialty of the qualification obtained; for example a holder of a degree in Business law from an accredited institution shall be considered for exemption in the Foundation Level on that paper only, while a holder of degree in Statistics shall be considered for exemption on that paper at the Foundation level.

No exemption shall be considered at the Intermediate or Final Level of the Board's examinations.

12.2.4.2 Holders of non-accounting diplomas/certificates Holders of non-accounting diplomas/certificates shall be considered for exemption on the area of specialty at the ATEC II/I level.

12.2.4.3 Holders of Postgraduate Qualifications Holders of post graduate qualification shall not be considered for exemption apart from the undergraduate qualification obtained which shall be considered for exemption on area of specialty.

The table below sets forth the conversion scheme to be applied in determining new entry point to candidates who sat under the current examination scheme and syllabus.

13. Conversion Scheme:

The conversion scheme shows how candidates under the existing syllabus will be transferred to the new examination scheme and syllabus.

The conversion scheme aims at ensuring that candidates under the current examination scheme are fairly placed in the new syllabus by considering the papers that have already been passed so that they can get an exemption (a credit) on them. Such consideration has only been made to those candidates who have either gained a pass in a level/module or have been referred in one or two paper(s) as the case may be.

Candidates who have not earned a referral status or passed i.e. failed candidates in a level/module will have to sit for the corresponding papers under the new examination scheme.

13.1 Professional Level Examinations

13.2.1 Foundation Stage Module A

Candidates who have successfully completed Module A of the existing syllabus shall be required to sit for papers:

A1 Quantitative Techniques,
A2 Business and Management and
A4 Cost Accounting in the Foundation Level

13.2.2 Foundation Stage Module B

Candidates who have successfully completed Module B of the existing syllabus shall be required to sit for papers:

A1 Quantitative Techniques and
A2 Business and Management in the
Foundation level examinations.

13.2.3 Referred Candidates in Foundation Stage

Candidates who have been referred in one or two papers in the Foundation Stage examinations of the existing syllabus shall be required to sit for the corresponding/new papers in either level as detailed in the Conversion Scheme Table below.

13.2.4 Intermediate Stage Module C

Candidates who have successfully completed Intermediate Stage -Module C of the existing syllabus shall be required to sit for paper(s):
A2 Business and Management in the Foundation Level and
B1 Financial Management,
B4 Public Finance & Taxation I and
B5 Performance Management in the Intermediate Level.

13.2.5 Intermediate Stage Module D Examinations:

Candidates who have successfully completed the Intermediate Stage Module D of the existing syllabus shall be required to sit for papers:
B4 Public Finance & Taxation I and
B5 Performance Management papers of the Intermediate Level.

13.2.6 Referred Candidates in the Intermediate Stage examinations

Candidates who have been referred in one paper in the Intermediate Stage examinations of the existing syllabus shall be required to sit for the corresponding/new paper in either level as detailed in the Conversion Scheme Table below.

13.2.7 Final Stage Module E Examinations

Candidates who have successfully completed Final Level - Module E examinations shall be required to sit for paper(s):

B5 Performance Management in the Intermediate level and
C1 Corporate Reporting and
C2 Audit and Assurance in the Final level.

13.2.8 Final Stage Module E & F

Candidates who have successfully completed Modules E and F of the existing syllabus shall be eligible for the Certificate of Completion of the CPA (T) programme.

13.2.9 Candidates who failed Module E

Candidates who failed Module E from 2010 shall be required to sit for five subjects in order to qualify for CPA(T) as follows: B5 Performance Management and all four subject in the Final Level.

13.2.10 Referred Candidates in the Final Stage Examinations Candidates who have been referred in one paper in the Final Stage examinations of the existing syllabus shall be required to sit for the corresponding/ new paper in either level as detailed in the Conversion Scheme Table below:

13.2 Transitional Arrangements

During the transition period, candidates shall be allowed to sit for papers across the levels as long as:

- (i) the paper(s) in the lower level are also taken at the same sitting
- (ii) the maximum papers taken does not exceed five
- (iii) the progression rule allows the candidate to sit for those papers.

EXAMINATION STRUCTURE AND CONVERSION SCHEME

To assist candidates who transfer from the old examination scheme to the revised examination scheme, a conversion scheme has been worked out (simplified) to show where these candidates fit in the new scheme.

--	---	A01	Quantitative Techniques	A referred candidate in Foundation Stage Module shall be required to sit for corresponding paper(s) as detailed below
--	--	A02	Business and Management	
--	--	A04	Cost Accounting	

Foundation Stage Module B

Papers in the Current Examination Scheme		Papers in the New Examination Scheme		Papers to be Attempted by a candidate who has completed a level/module
P05	Auditing Theory and Practice	B03	Auditing Principles and Practice	A candidate who has successfully completed Module B, shall be required to sit for Papers – A1 and A2 in the Foundation Level PLUS Papers – B1, B2, B4 & B5 in the Intermediate Level.
P06	Cost Accounting	--	--	
P07	Cost Accounting Systems Management	--	--	
P08	Business Ethics and Corporate Governance	B06	Management, Governance and Ethics	A candidate who has successfully completed Modules A & B shall be required to sit for papers A1 & A2 in the Foundation Level Plus B1, B2, B4 and B5 in the Intermediate level. A referred candidate shall be required to sit for the corresponding papers in Foundation and Intermediate level as detailed below:

Intermediate Stage Module C

P09	Financial Reporting I	B02	Financial Reporting	<p>A candidate, who has successfully completed Module C, shall be required to sit for Paper A2 in the Foundation Level Plus papers B1, B4 and B5 in the Intermediate Level.</p> <p>A referred candidate shall be required to sit for the corresponding papers as shown below.</p>
P.10	Research, Consultancy and Reporting	--	--	
P.11	Quantitative Techniques for Decision Making	A01	Quantitative Techniques (Foundation Level)	

Intermediate Stage Module D

P12	Management Principles and Practices	A02	Business and Management (in Foundation Level)	A candidate, who has successfully completed Module D, shall be required to sit for Papers B4 & B5.
P13	Corporate Finance	B01	Financial Management	
P14	Entrepreneurship	--	--	A candidate who has successfully completed Modules C & D shall be required to sit for papers B4 and B5 in the Intermediate Level
--	---	B04	Public Finance & Taxation	
--	---	B05	Performance Management	Referred candidates shall be required to sit for corresponding papers in Foundation and Intermediate levels as detailed below:

Final Stage Module E

Papers in the Current Examination Scheme		Corresponding Papers in the New Examination Scheme		Papers to be Attempted by a candidate who has completed a level/module
CODE	SUBJECT NAME	CODE	SUBJECT NAME	
P15	Financial Reporting II	C01	Corporate Reporting	A candidate, who has successfully completed Module E, shall be required to sit for Papers – B5 in the Intermediate Level, C1 and C2 in the Final Level. A referred candidate in Module E shall be required to sit for corresponding papers As detailed below:
P16	International Finance	C03	International Finance	
P17	Public Finance and Taxation	C04	Advanced Taxation	

Final Stage Module F

P18	Auditing and Assurance Services	C02	Audit and Assurance Services	A candidate who has successfully completed Module E & F shall be eligible for Certificate of Completion of CPA (T) A referred candidate shall be required to sit for the corresponding paper(s) as detailed below:
P19	Management Accounting & Control	B05	Performance Management – in the Intermediate Level	
P20	Contemporary Issues in Accounting	C01	Corporate Reporting	

REFERRED CANDIDATES:

Referrals for Module A

P01	A3, A1, A2 & A4	ATEC I & II & Paper A5 in Foundation Level
P02	A1, A2 & A4	ATEC I & II & Papers A3 & A5 in Foundation Level
P03	A5, A1, A2, & A4	ATEC I & II & Paper A3 in Foundation Level
P04	A1, A2 & A4	ATEC I & II & Papers A3 & A5 in Foundation Level
P01 & P02	A3, A1, A2 & A4	ATEC I & II & paper A5 in Foundation level
P01 & P03	A3, A5, A1, A2 & A4	ATEC I & II
P01 & P04	A3, A1, A2, A4	ATEC I & II & Paper A5 in Foundation Level
P02 & P03	A5, A1, A2 & A4	ATEC I & II & Paper A3 in Foundation Level
P02 & P04	A1, A2 & A4	ATEC I & II & Papers A3 & A5 in Foundation Level
P03 & P04	A5, A1, A2, & A4	ATEC I & II & Paper A3 in Foundation Level

Referrals for Module B

P05	B3 and papers A1 & A2 in the Foundation level plus papers B1, B2, B4 & B5 in the Intermediate Level	ATEC I & II, Papers A3, A4 & A5 in Foundation Level plus B6 in the Intermediate Level
P06	A4 and papers A1&A2 in the Foundation level plus papers B1,B2,B4 & B5 in the Intermediate Level	ATEC I & II, Papers A3 and A5 in the Foundation level plus B3 and B6 in the Intermediate Level
P07	Papers A1 & A2 in Foundation Level plus B1, B2, B4 & B5 in Intermediate Level	ATEC I & II, Papers A3, A4 & A5 in the Foundation Level Plus B3 and B6 in the Intermediate Level.

P08	B6 and papers A1 & A2 in the Foundation Level plus B1, B2, B4, & B5 in the	ATEC I & II, Papers A3, A4 & A5 in the Foundation Level plus paper B3 in the Intermediate Level.
P05 & P06	A4 and B3 and papers A1,A2 & in the Foundation level plus papers B1,B2, B4 & B5 in the Intermediate Level	ATEC I & II, Papers A3 & A5 in the Foundation Level plus paper B6 in the Intermediate Level
P05 & P07	B3 and papers A1 & A2 in the Foundation level plus papers B1,B2, B4 & B5 in the Intermediate Level	ATEC I & II, Papers A3, A4 & A5 in the Foundation Level plus paper B6 in the Intermediate Level
P05 & P08	B3 & B6 and papers A1& A2 in the Foundation level plus B1,B2, B4 & B5 in the Intermediate Level	ATEC I & II, Papers A3, A4 & A5 in the Foundation Level
P06 & P07	A4 and papers A1 & A2 in the Foundation level plus B1,B2, B4 & B5 in the Intermediate Level	ATEC I & II, Papers A3 & A5 in the Foundation Level plus papers B3 & B6 in the Intermediate Level
P06 & P08	A4 and B6 and papers A1, A2 & A4 in the Foundation level plus B1,B2, B4 & B5 in the Intermediate Level	ATEC I & II, Papers A3 & A5 in the Foundation Level plus paper B3 in the Intermediate Level
P07 & P08	B6 and papers A1, A2 & A4 in the Foundation level plus B1,B2, B4 & B5 in the Intermediate Level	ATEC I & II, Papers A3 & A5 in the Foundation Level plus paper B3 in the Intermediate Level

Referrals for Module C

P09	Papers – A2 in the Foundation Level plus B1, B2, B4 & B5 in the Intermediate level	ATEC I & II, Papers – A1, A3, A4 & A5 in the Foundation level plus B3 and B6 in the Intermediate level
P10	Papers – A2 in the Foundation level plus B1, B4 & B5 in the Intermediate level	ATEC I & II, Papers – A1, A3, A4 & A5 in the Foundation level plus B2, B3 and B6 in the Intermediate level.
P11	Papers – A1 & A2 in the Foundation level plus B1, B4 & B5 in the Intermediate level	ATEC I & II, Papers – A3, A4 & A5 in the Foundation level plus B2, B3 and B6 in the Intermediate level.

Referrals for Module D

P12	Papers – A2 in Foundation Level plus B4 & B5 in the Intermediate Level	ATEC I & II, Papers – A1, A3, A4 & A5 in the Foundation Level plus B1, B2, B3 & B6 in the Intermediate Level
P13	Papers – B1, B4 & B5 in the Intermediate Level	ATEC I & II, Foundation Level plus B2, B3, & B6 in the Intermediate Level.
P14	Papers – B4 & B5 in the Intermediate Level	ATEC I & II, Foundation Level plus B1, B2, B3, & B6 in the Intermediate Level.

Referrals for Module E

Referred Papers under the current Examination Scheme	Paper(s) to be Attempted under the New Scheme	Papers to be Exempted under the New Scheme
P15	C1 and papers – B5 in the Intermediate level plus C2 in the Final Level	ATEC I & II, Foundation Level, Intermediate Level Papers – B1, B2, B3, B4 & B6 plus Papers- C3 & C4 in the Final Level.
P16	C3 and papers – B5 in the Intermediate level plus C1 & C2 in the Final Level	ATEC I & II, Foundation Level, Intermediate Level Papers – B1, B2, B3, B4 & B6 plus Paper – C4 in the Final Level.
P17	C4 and papers – B5 in the Intermediate level plus C1, C2 & C4 in the Final Level	ATEC I & II, Foundation Level, Intermediate Level Papers – B1, B2, B3, B4 & B6 plus Papers – C3 in the Final Level.

Referrals in Module F

P18	Paper C2 in the Final Level	ATEC I & II, Foundation Level, Intermediate Level & Papers – C1, C3 & C4 in the Final Level.
P19	Papers – B5 in the Intermediate level	ATEC I & II, Foundation Level, Intermediate Level Papers – B1, B2, B3, B4 & B6 plus Papers – C1, C2, C3 & C4 in the Final Level.
P20	Paper C1 in the Final Level	ATEC I & II, Foundation Level, Intermediate Level & Papers – C2, C3 & C4 in the Final Level.

CONVERSION SCHEME TO CANDIDATES WITH INTERMODULE REFERRAL STATUS

Referred papers under the phased out examination scheme	Papers to be attempted under the new examination scheme	Papers to be exempted under the new examination scheme
Referred in Module A and Module B the following papers:		
P01 & P05	A1,A2,A3, in Foundation level and B1, B2, B3,B4, and B5 in the Intermediate Level plus all papers in the Final Level	ATEC I & II, Papers - A4 & A5 in the Foundation Level and B6 in the Intermediate Level.
P01 & P06	A1, A2,A3 and A4 in the Foundation Level and B1, B2, B4, and B5 in the Intermediate Level plus all papers in the Final Level	ATEC I & II, Papers - A5 in the Foundation Level and B3 & B6 in the Intermediate Level.
P01 & P07	A1, A2, A3 and A4 in the Foundation Level and B1, B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level	ATEC I & II, Papers - A5 in the Foundation Level and B3 & B6 in the Intermediate Level.
P01 & P08	A1, A2 and A3 in the Foundation Level and B1, B2, B4, B5 and B6 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A4 & A5 in the Foundation Level and B3 in the Intermediate Level.
P02 & P05	A1, and A2 in the Foundation Level and B1, B2, B3, B4 and B5 in the Intermediate Level plus all papers in the Final Level	ATEC I & II, Papers - A3, A4 & A5 in the Foundation Level and B6 in the Intermediate Level.

Referred papers under the phased out examination scheme	Papers to be attempted under the new examination scheme	Papers to be exempted under the new examination scheme
P02 & P06	A1, A2, and A4 in the Foundation Level and B1, B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 & A5 in the Foundation Level and B3 & B6 in the Intermediate Level.
P02 & P07	A1, A2, and A4 in the Foundation Level and B1, B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 and A5 in the Foundation Level and B3 & B6 in the Intermediate Level.
P02 & P08	A1 and A2 the Foundation Level and B1, B2, B4, B5 and B6 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3, A4 & A5 in the Foundation Level and B3 in the Intermediate Level.
P03 & P05	A1, A2 and A5 in the Foundation Level and B1, B2, B3, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 & A4 in the Foundation Level and B6 in the Intermediate Level.
P03 & P06	A1, A2, A4 and A5 in the Foundation Level and B1, B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 in the Foundation Level and B3 & B6 in the Intermediate Level.
P03 & P07	A1, A2, A4 and A5 in the Foundation Level and B1, B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 in the Foundation Level and B3 & B6 in the Intermediate Level.
P03 & P08	A1, A2 and A5 in the Foundation Level and B1, B2, B4, B5 and B6 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 and A4 in the Foundation Level and B3 in the Intermediate Level.

Referred papers under the phased out examination scheme	Papers to be attempted under the new examination scheme	Papers to be exempted under the new examination scheme
P04 & P05	A1 and A2 in the Foundation Level and B1, B2, B3, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3, A4 & A5 in the Foundation Level and B6 in the Intermediate Level.
P04 & P06	A1, A2 and A4 in the Foundation Level and B1, B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 & A5 in the Foundation Level and B3 & B6 in the Intermediate Level.
P04 & P07	A1, A2 and A4 in the Foundation Level and B1, B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 & A5 in the Foundation Level and B3 & B6 in the Intermediate Level.
P04 & P08	A1 and A2 in the Foundation Level and B1, B2, B4, B5 and B6 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3, A4 & A5 in the Foundation Level and B3 in the Intermediate Level.
P01, P05 & P06	A1, A2, A3 and A4 in the Foundation Level and B1, B2, B3, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A5 in the Foundation Level and B6 in the Intermediate Level.
P01, P05 & P07	A1, A2, A3 and A4 in the Foundation Level and B1, B2, B3, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A5 in the Foundation Level and B6 in the Intermediate Level.
P01, P05 & P08	A1, A2 and A3 in the Foundation Level and B1, B2, B3, B4, B5 & B6 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A4 & A5 in the Foundation Level.

Referred papers under the phased out examination scheme	Papers to be attempted under the new examination scheme	Papers to be exempted under the new examination scheme
P01, P06 & P07	A1, A2, A3 and A4 in the Foundation Level and B1, B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A5 in the Foundation Level and B3 & B6 in the Intermediate Level.
P01, P06 & P08	A1, A2, A3 and A4 in the Foundation Level and B1, B2, B4, B5 and B6 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A5 in the Foundation Level and B3 in the Intermediate Level.
P01, P07 & P08	A1, A2, A3 and A4 in the Foundation Level and B1, B2, B4, B5 and B6 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A5 in the Foundation Level and B3 in the Intermediate Level.
P02, P05 & P06	A1, A2 and A4 in the Foundation Level and B1, B2, B3, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 & A5 in the Foundation Level and B6 in the Intermediate Level.
P02, P05 & P07	A1, A2, and A4 in the Foundation Level and B1, B2, B3, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 & A5 in the Foundation Level and B6 in the Intermediate Level.
P02, P05 & P08	A1 and A2 in the Foundation Level and B1, B2, B3, B4, B5 and B6 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3, A4 & A5 in the Foundation Level.

Referred papers under the phased out examination scheme	Papers to be attempted under the new examination scheme	Papers to be exempted under the new examination scheme
P02, P06 & P07	A1, A2 and A4 in the Foundation Level and B1, B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 & A5 in the Foundation Level and B3 & B6 in the Intermediate Level.
P02, P06 & P08	A1, A2 and A4 in the Foundation Level and B1, B2, B4, B5 and B6 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 & A5 in the Foundation Level and B3 in the Intermediate Level.
P02, P07 & P08	A1, A2 and A4 in the Foundation Level and B1, B2, B4, B5 and B6 in the Intermediate Level plus all papers in the Final Level	ATEC I & II, Papers - A3 & A5 in the Foundation Level and B3 in the Intermediate Level.
P03, P05 & P06	A1, A2, A4 and A5 in the Foundation Level and B1, B2, B3, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 in the Foundation Level and B6 in the Intermediate Level.
P03, P05 & P07	A1, A2, A4 and A5 in the Foundation Level and B1, B2, B3, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 in the Foundation Level and B6 in the Intermediate Level.
P03, P05 & P08	A1, A2 and A5 in the Foundation Level and B1, B2, B3, B4, B5 and B6 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 & A4 in the Foundation Level.

Referred papers under the phased out examination scheme	Papers to be attempted under the new examination scheme	Papers to be exempted under the new examination scheme
P03, P06 & P07	A1, A2, A4 and A5 in the Foundation Level and B1, B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 in the Foundation Level and B3 & B6 in the intermediate Level.
P03, P06 & P08	A1, A2, A4 and A5 in the Foundation Level and B1, B2, B4, B5 and B6 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 in the Foundation Level and B3 in the Intermediate Level.
P03, P07 & P08	A1, A2, A4 and A5 in the Foundation Level and B1, B2, B4, B5 and B6 in the Intermediate Level plus all papers in the Final Level	ATEC I & II, Papers - A3 in the Foundation Level and B3 in the Intermediate Level.
P04, P05 & P06	A1, A2 and A4 in the Foundation Level and B1, B2, B3, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 and A5 in the Foundation Level and B6 in the Intermediate Level.
P04, P05 & P07	A1, A2 and A4 in the Foundation Level and B1, B2, B3, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 & A5 in the Foundation Level and B6 in the Intermediate Level.
P04, P05 & P08	A1 and A2 in the Foundation Level and B1, B2, B3, B4, B5 and B6 in the Intermediate Level plus all papers in the Final Level	ATEC I & II, Papers - A3, A4 & A5 in the Foundation Level.
P04, P06 & P07	A1, A2 and A4 in the Foundation Level and B1, B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level	ATEC I & II, Papers - A3 & A5 in the Foundation Level and B3 & B6 in the Intermediate Level.

Referred papers under the phased out examination scheme	Papers to be attempted under the new examination scheme	Papers to be exempted under the new examination scheme
P04, P06 & P08	A1, A2 and A4 in the Foundation Level and B1, B2, B4, B5 and B6 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 & A5 in the Foundation Level and B3 in the Intermediate Level.
P04, P07 & P08	A1, A2 and A4 in the Foundation Level and B1, B2, B4, B5 and B6 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 & A5 in the Foundation Level and B3 in the Intermediate Level.
Referred in Module A and Pass in Module B		
P01 and pass in Module B	A1, A2, and A3 in the Foundation Level and B1, B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A4 & A5 in the Foundation Level and B3 & B6 in the Intermediate Level.
P02 and pass in Module B	A1, and A2 in the Foundation Level and B1, B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3, A4 & A5 in the Foundation Level and B3 & B6 in the Intermediate Level.
P03 and pass in Module B	A1, A2 and A5 in the Foundation Level and B1, B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 & A4 in the Foundation Level and B3 & B6 in the Intermediate Level.
P04 and pass in Module B	A1, and A2 in the Foundation Level and B1, B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3, A4 & A5 in the Foundation Level and B3 & B6 in the Intermediate Level.

Referred papers under the phased out examination scheme	Papers to be attempted under the new examination scheme	Papers to be exempted under the new examination scheme
Pass in Module A and Referred in Module B		
Pass Module A and Referred P05	A1, and A2 in the Foundation Level and B1, B2, B3, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3, A4 & A5 in the Foundation Level and B6 in the Intermediate Level.
Pass Module A and Referred P06	A1, A2 and A4 in the Foundation Level and B1, B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level	ATEC I & II, Papers - A3 & A5 in the Foundation Level and B3 & B6 in the Intermediate Level.
Pass Module A and Referred P07	A1, A2 and A4 in the Foundation Level and B1, B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 & A5 in the Foundation Level and B3 & B6 in the Intermediate Level.
Pass Module A and Referred P08	A1 and A2 in the Foundation Level and B1, B2, B4, B5 and B6 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3, A4 & A5 in the Foundation Level and B3 in the Intermediate Level.
Pass Module A and Referred P05 & P06	A1, A2 and A4 in the Foundation Level and B1, B2, B3, B4 and B5 in the Intermediate Level plus all papers in the Final Level	ATEC I & II, Papers - A3 & A5 in the Foundation Level and B6 in the Intermediate Level.
Pass Module A and Referred P05 & P07	A1, A2 and A4 in the Foundation Level and B1, B2, B3, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 & A5 in the Foundation Level and B6 in the Intermediate Level.

Referred papers under the phased out examination scheme	Papers to be attempted under the new examination scheme	Papers to be exempted under the new examination scheme
Pass Module A and Referred P05 & P08	A1 and A2 in the Foundation Level and B1, B2, B3, B4, B5 and B6 in the Intermediate Level plus all papers in the Final Level	ATEC I & II, Papers - A3, A4 & A5 in the Foundation Level.
Pass Module A and Referred P06 & P07	A1, A2 and A4 in the Foundation Level and B1, B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level	ATEC I & II, Papers - A3 & A5 in the Foundation Level and B3 & B6 in the Intermediate Level.
Pass Module A and Referred P06 & P08	A1, A2 and A4 in the Foundation Level and B1, B2, B4, B5 and B6 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 & A5 in the Foundation Level and B3 in the Intermediate Level.
Pass Module A and Referred P07 & P08	A1, A2 and A4 in the Foundation Level and B1, B2, B4, B5 and B6 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3 & A5 in the Foundation Level and B3 in the Intermediate Level.
Referred in Module C and Module D the following papers:		
P09 & P12	A2 in the Foundation Level and B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A1, A3, A4 & A5 in the Foundation Level and B1, B3 & B6 in the Intermediate Level.
P09 & P13	B1, B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Foundation Level and Papers B3 & B6 in the Intermediate Level.

Referred papers under the phased out examination scheme	Papers to be attempted under the new examination scheme	Papers to be exempted under the new examination scheme
P09 & P14	B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Foundation Level and B1, B3 & B6 in the Intermediate Level.
P10 & P12	A2 in the Foundation Level and B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A1, A3, A4 & A5 in the Foundation Level and B1, B2, B3 & B6 in the Intermediate Level.
P10 & P13	B1, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Foundation Level and B2, B3 & B6 in the Intermediate Level.
P10 & P14	B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Foundation Level and B1, B2, B3 & B6 in the Intermediate Level.
P11 & P12	A1 and A2 in the Foundation Level and B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A3, A4 & A5 in the Foundation Level and B1, B2, B3 & B6 in the Intermediate Level.
P11 & P13	A1 in the Foundation Level and B1, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A2, A3, A4 & A5 in the Foundation Level and B2, B3 & B6 in the Intermediate Level.
P11 & P14	A1 in the Foundation Level and B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A2, A3, A4 & A5 in the Foundation Level and B1, B2, B3 & B6 in the Intermediate Level.

Referred papers under the phased out examination scheme	Papers to be attempted under the new examination scheme	Papers to be exempted under the new examination scheme
Referred Module C pass Module D		
Referred P09 Pass Module D	B2, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Foundation Level and B1, B3 & B6 in the Intermediate Level.
Referred P10 Pass Module D	B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Foundation Level and B1, B2, B3 & B6 in the Intermediate Level.
Referred P11 Pass Module D	A1, in the Foundation Level plus B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A2, A3, A4 & A5 in the Foundation Level and B1, B2, B3 & B6 in the Intermediate Level.
Pass Module C Referred Module D		
Pass Module C Referred P12	A2, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Papers - A1, A3, A4 & A5 in the Foundation Level and B1, B2, B3 & B6 in the Intermediate Level.
Pass Module C Referred P13	B1, B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Foundation Level and B2, B3 & B6 in the Intermediate Level.
Pass Module C Referred P14	B4 and B5 in the Intermediate Level plus all papers in the Final Level.	ATEC I & II, Foundation Level and B1, B2, B3 & B6 in the Intermediate Level.

Referred papers under the phased out examination scheme	Papers to be attempted under the new examination scheme	Papers to be exempted under the new examination scheme
Referred in Module E and Module F the following papers:		
P15 & P18	C1 and C2 in the Final Level.	ATEC I & II, Foundation and Intermediate Levels plus C3 & C4 in the Final Level.
P15 & P19	B5 in the Intermediate Level plus C1 in the Final Level.	ATEC I & II, Foundation Level plus B1, B2, B3, B4, & B6 in the Intermediate Level and C2, C3 & C4 in the Final Level.
P15 & P20	C1 in the Final Level.	ATEC I & II, Foundation and Intermediate Levels plus C2, C3 & C4 in the Final Level.
P16 & P18	C3 and C2 in the Final Level.	ATEC I & II, Foundation and Intermediate Levels plus C1, & C4 in the Final Level.
P16 & P19	B5 in the Intermediate Level plus and C3 in the Final Level.	ATEC I & II, Foundation Level plus Papers - B1, B2, B3, B4, & B6 in the Intermediate Level and C1, C2, & C4 in the Final Level.
P16 & P20	C3 and C1 in the Final Level.	ATEC I & II, Foundation and Intermediate Levels plus C2 & C4 in the Final Level.

Referred papers under the phased out examination scheme	Papers to be attempted under the new examination scheme	Papers to be exempted under the new examination scheme
P17 & P18	C4 and C2 in the Final Level.	ATEC I & II, Foundation and Intermediate Levels plus C1, C3 in the Final Level.
P17 & P19	C4 in the Final level and B5 in the Intermediate Level.	ATEC I & II, Foundation Level plus Papers - B1, B2, B3, B4, & B6 in the Intermediate Level and C1, C2, & C3 in the Final Level.
P17 & P20	C4 and C1 in the Final Level.	ATEC I & II, Foundation and Intermediate Levels plus C2 & C3 in the Final Level.
Referred Module E Pass Module F		
Referred P15 Pass Module F	C1 in the Final Level.	ATEC I & II, Foundation and Intermediate Levels plus C2, C3 & C4 in the Final Level.
Referred P16 Pass Module F	C3 in the Final Level.	ATEC I & II, Foundation and Intermediate Levels plus Papers – C1, C2 & C4 in the Final Level.
Referred P17 Pass Module F	C4 in the Final Level.	ATEC I & II, Foundation and Intermediate Levels plus Papers C1, C2 & C3 in the Final Level.
Pass Module E Referred Module F		

Referred papers under the phased out examination scheme	Papers to be attempted under the new examination scheme	Papers to be exempted under the new examination scheme
Pass Module E Referred P18	C2 in the Final Level.	ATEC I & II, Foundation and Intermediate Levels plus Papers – C1, C3 & C4 in the Final Level.
Pass Module E Referred P19	B5 in the Intermediate	ATEC I & II, Foundation Level plus Papers - B1, B2, B3, B4, & B6 in the Intermediate Level and C1, C2, C3 & C4 in the Final Level.
Pass Module E Referred P20	C1 in the Final Level.	ATEC I & II, Foundation and Intermediate Levels plus Papers - C2, C3 & C4 in the Final Level.

NB: The transition scheme allows a candidate to register and sit for examination papers across the levels. However, before you make your application, you are advised to read the examination timetable carefully in order to ensure that there is no any collision within the subjects you choose to apply.

14.0 INSTITUTIONAL EXEMPTIONS:

The Institutions enjoying exemptions from parts of the Board's examinations will continue enjoying exemptions but are expected to modify their syllabus to be compliant with the exemption granted. The exemptions currently being granted to these institutions should continue for a period of two years the time when it is expected that the institutions will have worked on their syllabus to be in line with the Board's revised syllabus.

The exemptions in a nutshell will be as follows:

14.1 Three years' accounting programmes:

Holders of three-years' degree with accounting specialty obtained from recognized institutions i.e. institutions that have been accredited by Tanzania Commission of Universities (TCU) or National Council for Technical Education (NACTE), shall be exempted from ATEC I & II, and Foundation Level examinations, and be eligible to sit for the Intermediate level examinations.

14.2 Two-years' accounting programmes

Holders of two-years' accounting qualification obtained from accredited institutions of higher learning in the country shall be exempted from ATEC I & II and be eligible to start at the Foundation Level examinations.

14.3 One-year Certificate in accounting programmes: Holders of a one year accounting qualification obtained from recognized institutions of higher learning in the country to be exempted from ATEC I and be eligible to sit for ATEC II level examinations.

14.4 Incomplete Accounting Programmes:

A person who has not been able to complete a programme from an institution of higher learning shall not be considered for exemption on the basis of the uncompleted programme in the Board's examinations.

14.5 Non-Accounting Programmes:

Other non-accounting programmes of not less than three years duration should be considered for exemption on subject-to-subject basis depending on their specialty. Eg. Specialty in Taxation should be given exemption only on Taxation, specialty in Law should be given exemption in Law paper at the foundation/ intermediate level.

14.6 Exemption at the Final Level:

The Board should not grant exemption at the final level of its examinations. Only those who are transferring from the existing syllabus to the revised syllabus are the ones who will be considered as per the conversion scheme.

14.7 Post graduate qualifications:

Post graduate qualifications should not be considered for exemption. It is the undergraduate degree that shall determine what exemptions that are to be granted to the candidate.

14.8 Validity of honoring the qualifications for exemption purposes:

Validity of recognizing a qualification obtained from the Institutions of higher learning shall be three years. Any application for exemption lodged after the expiry of three years shall be considered to start one level below the eligible exemption.

14.7 Qualifications obtained from Accountancy

Professional Bodies recognized by IFAC Partially Completed Accounting Qualification Obtained from an IFAC member Body Holders of an accounting qualification obtained from a recognized accountancy professional body, i.e. a member of the International Federation of Accountants (IFAC), shall be considered for exemption on subject to subject basis. Exemption shall, however, not be granted at the final stage if the holder of such a qualification has not completed the examination requirement of the examining body.

(b) Fully completed Accounting Qualification obtained from an IFAC Member Body Holders of an accounting qualification obtained from a recognized professional body shall be required to sit for the papers as spelt out in the Membership Bylaws

15.0 TRANSITIONAL ARRANGEMENTS FOR ACCOUNTING PROGRAMMES OFFERED BY THE ACCOUNTANCY TRAINING INSTITUTIONS:

The institutional programmes enjoying exemptions from parts of the Board's examinations shall continue enjoying exemptions, during the transition period, but are expected to modify their syllabi to be compliant with the exemption granted.

The exemptions currently being enjoyed by the institutional programmes shall continue to be granted for the two years from the time when the new syllabus came into effect, the time which

would allow the institutions to modify their syllabito be in line with the Board's current syllabus.

The exemptions in a nutshell shall be as follows: -

- 15.1 Three years' degree of accounting programmes:** Holders of three-years' accounting degree qualification obtained from the institutions already accredited by the Board shall be granted exemptions up to the Foundation Level of the professional syllabus and holders of such qualification be eligible to start at the Intermediate Level.
- 15.2 Two-years' accounting programmes**
Holders of two-years' accounting qualification obtained from the institutions already accredited by the Board shall be exempted from ATEC I & II and be eligible to start at the Foundation level.
- 15.3 One-year accounting programmes:**
Holders of a one year accounting qualification obtained from institutions already accredited by the Board shall be exempted from ATEC I examinations, and be eligible to start at the Accounting Technician Level II.

15.4 Qualifications obtained from Accountancy Professional Bodies recognized by IFAC

(a) **Partially Completed Accounting Qualification Obtained from a recognized Professional Body**

Holders of an accounting qualification obtained from member bodies of IFAC (Accountancy Professional Bodies) shall be considered for exemption on subject-to-subject basis at the Foundation Level and no exemption shall be granted at the Intermediate and Final Level if the holder of such a qualification has not completed the examination requirement of the examining body.

(b) **Full completed Accounting Qualification obtained from a Recognized Professional Body**

Holders of an accounting qualification obtained from a recognized professional body shall be considered for exemption in all the papers in the Board's examination scheme and syllabus, but if such a holder wants to practice, he/she will be required to sit for three local papers – Business Law and Public Finance and Taxation I and Public Finance and Taxation II papers.

(c) **Accounting Qualification Obtained from Member States in the East African Community**

A Holder of an accounting qualification who is a citizen of Member States in the East African Community shall enjoy the same status of exemption granted to a holder of accounting qualification obtained from the institutions accredited by Board as long as that institution is recognized by the professional body of that country where the qualification was obtained.

Similarly, a holder of an accounting qualification and a citizen of Member States in the East African Community who has acquired a professional accounting qualification shall enjoy the same status as enshrined in the Mutual Recognition Agreement signed by the member states.

15.5 The Five-year Exemption Limit

All the qualifications seeking exemptions from the Board's examinations shall only be considered for exemption if they are presented within five years after being acquired. A lesser exemption – a level lower than what would have been granted would be given to holders who request for exemption after the five-year exemption limit has expired.

15.6 Revised syllabus 2019

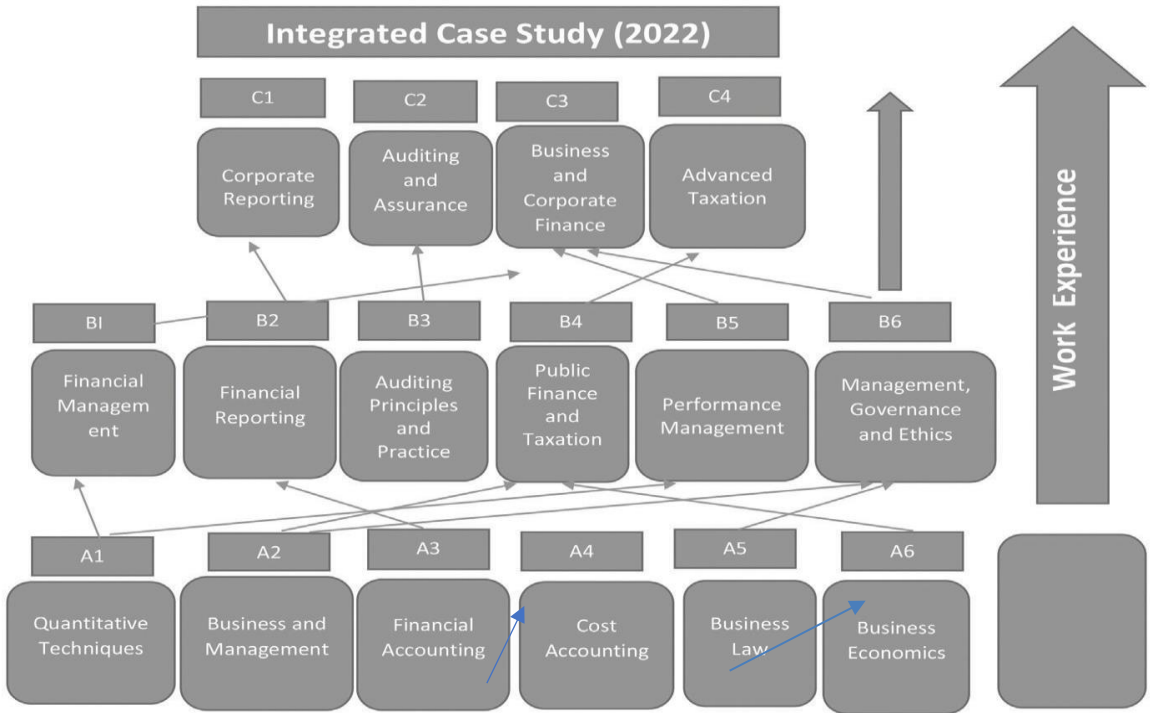
According to Examination and Training By-laws 2023 NBAA Examination Scheme is required be reviewed after every five years. The phased-out Examination Scheme was launched in November 2019. In this case a new Examination Scheme has to be in place in November 2024. Unlike other reviews of the Examination Scheme, this review did not involve major changes. The major work that was done in this review include among other things; the harmonization of the syllabi outlines with learning materials, adding some important topics that were missing in the syllabus outlines and adding some notes that were missing in the learning materials. In this revision, auditing topics have added in the Accounting subject (A3), procurement topic have been added in Cost Accounting subject (A4), Taxation topics have been added in Economic subject (A6) in the Foundation Level. The purpose of adding this subject is to ensure that candidates who pursue professional examinations through NBAA route and those who start at Foundation Level to get the basics of auditing, procurement and taxation.

Therefore, the number of subjects has been maintained as in the previous professional syllabus. Students who have studied Economics subject in the Bachelor Degree/Diploma programmes will be exempted Economics subject at Foundation Level.

There is also a minor change in the naming of C3 Business and Corporate Finance has been renamed to International Finance.

16.0 The Examination Structure of the Professional Syllabus showing subject relationship is as indicated hereunder:

Examination Structure



1.0 SUBJECT CODE AND NAME: A01: QUANTITATIVE TECHNIQUES

2.0 LEVEL: FOUNDATION

3.0 PRE-REQUISITE SUBJECT: T02

4.0 CONTACT HOURS: 120

5.0 SUBJECT DESCRIPTION

The subject provides knowledge and skills of mathematical and quantitative techniques tools that are used in business decision making processes.

6.0 PRINCIPAL LEARNING OUTCOME

Apply knowledge and skills of mathematical and quantitative techniques, concepts and tools in the day to day accounting and business functions and decision making.

7.0 INDICATIVE CONTENT AND SUPPORTING LEARNING OUTCOMES

7.1 Calculus and Theory of the Firm

Learners will be able to:

- a) List the uses of calculus in business.
- b) Differentiate a standard form, product of two functions, quotient and function of a function.
- c) Determine and identify starting points.
- d) Integrate a standard form function.
- e) Apply calculus in theory of the firm.
- f) Apply the concept of calculus and theory of the firm in accounting and business situations.

7.2 Linear Programming and shadow value

Learners will be able to:

- a) Formulate a Linear Programming problem.
- b) Solve a linear programming problem both by graph and simultaneous equations.
- c) Obtain shadow/dual values.
- d) Conduct sensitivity analysis and explain slack variable.
- e) Interpret the final simplex table.
- f) Formulate a dual model from a paired model.

- g) Determine shadow values.
- h) Interpret shadow/dual values.
 - i) Apply the concept of linear programming in accounting and business situations.

7.3 Transportation and Assignment Models

Learners will be able to:

- a) Use of linear programming models to formulate a transportation problem.
- b) Solve a transportation problem using North West Corner method, Minimum Cost Method and Vogel Approximation Method.
- c) Use stepping stone approach for testing.
- d) Solve an assignment problem by allocation that will produce optimal solutions.
- e) Apply the concept of assignment problem to accounting and business situations.
- f) Apply the concept of transportation problem in accounting and business situations.
- g) Understand the meaning of transportation problems and transportation models and their application in business activities.
- h) Understand balanced transportation problems and unbalanced transportation problems.

7.4 Inventory Planning and Control

Learners will be able to:

- a) Explain the meaning and objective of material management.
- b) Identify the costs involved in an inventory model and determine EOQ for a simple inventory model.
- c) Determine EOQ for inventory and production models, lot size, planned shortage and quantity discount Models.
- d) Explain and apply appropriate methods for establishing Economic Order Quantity and Reorder Levels.

7.5 Network Analysis and Project Scheduling

Learners will be able to:

- (a) Draw a network diagram for both using CPM and PERT.
- (b) Interpret the Network diagram.
- (c) Determine the duration times of uncertain activities.
- (d) Determine the duration of a project.
- (e) Identify the critical path activity.
- (f) Determine the cost of the project.
- (g) Crash activities

7.6 Queuing Models

Learners will be able to:

- (a) Identify the components of a queue system.
- (b) Determine the characteristics of a queue system.
- (c) Determine the cost of a queue.
- (d) Identify the components of a queue system with more than one service point.
- (e) Determine the characteristics and cost of a queue system with more than one service point.
- (f) Apply the concept of queue system in accounting and business

7.7 Simulation

Learners will be able to:

- a) Understand the meaning of simulation, the simulation process and its advantages and disadvantages.
- b) Understand the Monte Carlo simulation model and the method of constructing it.
- c) Apply simulation techniques to accounting and business situations.
- d) Understand the use of the simulation model for solving queuing problems.

Part B: Statistics and Forecasting

7.8 Statistical Description of Data

Learners will be able use the following in decision making:

Statistical Representation of Data, Diagrammatic representation of data, Frequency distribution, Graphical representation of Frequency Distribution – Histogram, Frequency Polygon, Ogive, Pie-chart.

7.9 Measures of Central tendency and Dispersion:

Learners will be able use the following in decision making:

Measures of Central Tendency and Dispersion: Mean Median, Mode, Mean Deviation, Quartiles and Quartile Deviation, Standard Deviation, Co-efficient of Variation, Coefficient of Quartile Deviation.

7.10 Probability

Learners will be able to:

- a) Calculate probability of events using binomial, Poisson and normal distribution.
- b) Apply probability concept in accounting and business situations.

7.11 Random Variables, Probability Distribution and Elements of Decision Analysis

Learners will be able to:

- a) Determine the expected value of a random variable
- b) Make decision under uncertainty and under risk.
- c) Determine expected values of perfect information.
- d) Construct a decision tree.
- e) Apply a decision tree in deciding.
- f) Define central limit theorem and use it in the concept of sample means.
- g) Explain the appropriate sampling distributions of the sample means and sample proportions.
- h) Apply the concept of decision analysis in accounting and business situation.

7.12 Estimation

Learners will be able to:

- a) Determine point estimations for mean, proportion and standard deviation.
- b) Construct interval estimations (confidence intervals) for mean, proportion, differences of two populations and paired observations.
- c) Apply the concept of estimation in accounting and business situation.

7.13 Hypothesis Testing

Learners will be able to:

- a) State the steps of conducting a test for mean, proportion, differences of two means, differences of two proportion and paired observations.
- b) Describe the errors of decisions; type I and II errors.
- c) Conduct test for mean, proportion, differences of two means, differences of two proportions and paired observations.
- d) Explain a variance ratio test ANOVA.
- e) Conduct non-parametric tests - Chi-Square for goodness and for independence.
- f) Conduct rank and product moment correlation coefficient, tests.
- g) Apply tests of hypothesis in accounting and business situations.

7.14 Linear Regression and Correlation Analysis

Learners will be able to:

- a) Fit a linear relationship for any two related variables.
- b) Estimate unknown values of dependent variable for given independent variables.
- c) Calculate correlation coefficient both product moment and rank.
- d) Calculate coefficient of determination.
- e) Interpret slope, y intercept, correlation coefficient and coefficient of determination.
- f) Conduct test for shape, and coefficient of correlation.
- g) Apply the concept of linear regression and coefficient analysis in accounting and business situations.

7.15 Time Series and Forecasting

Learners will be able to:

- a) Define time series and its characteristics.
- b) Calculate trend using moving average method.
- c) Calculate seasonal variations.
- d) Forecasting future values.
- e) Apply the concept of time series and forecasting in accounting and business situations.

8.0 LEARNING CONTEXT

- a. Interactive Lectures
- b. Case Studies
- c. Discussion
- d. Assignments

9.0 RECOMMENDED LEARNING MATERIALS

NBAA, (2023). Quantitative Techniques Study Text. NBAA.Dar-es-Salaam, Tanzania.

10.0 OTHER RECOMMENDED LEARNING MATERIALS

- o Dubey, U., Kothari, D. P., & Awari, G. K. (2016). *Quantitative techniques in business, management and finance: A case-study approach*. Chapman and Hall/ CRC.
- o Gupta, K. R., & Gupta, M. P. (2017). *Business statistics*. Atlantic Publishers & Distributors.
- o Moore, D. S., McCabe, G. P., Alwan, L. C., Craig, B. A., & Duckworth, W. M. (2016). *The practice of statistics for business and economics*. WH Freeman.
- o Keller, G. (2015). *Statistics for Management and Economics, Abbreviated*. Cengage Learning.
- o Baradyana, Joseph and Ame, Ahmed M.(2005), *Quantitative Techniques for Business Decision*. Mkuki na Nyota Publisher Ltd.

- Fleisher, C. S., & Bensoussan, B. E. (2015). *Business and competitive analysis: effective application of new and classic methods*. FT Press.
- Waters, Donald (2008), Quantitative Methods for Business 4th Edition Financial Times/Prentice Hall. Mik, Wisniewski (2006), Quantitative Methods for Decision Making 4th Edition Prentice Hall.

1.0	SUBJECT CODE AND NAME:	A02: BUSINESS AND MANAGEMENT
2.0	LEVEL:	FOUNDATION
3.0	PRE-REQUISITE SUBJECT:	NONE
4.0	CONTACT HOURS:	120

5.0 SUBJECT DESCRIPTION

The subject provides basic understanding of the purpose and objectives of businesses and issues of business environment, ethics, governance, corporate social responsibility and sustainability. The subject also acquaints learners with key areas of functional management and organizational behaviour.

6.0 PRINCIPAL LEARNING OUTCOME

Apply concepts and principles of business and management in business environment.

7.0 INDICATIVE CONTENT AND SUPPORTING LEARNING OUTCOMES

7.1 Management Functions

Learners will be able to:

- a. Explain the meaning of Management
- b. Explain the functions of Management

7.2 Business Organization and Environment

Learners will be able to:

- a. Explain the nature of business management
- b. Explain types of business organization
- c. Describe the organizational objectives
- d. Explain the interest of organizational stakeholders
- e. Explain external business environment
- f. Discuss growth and evolution
- g. Describe organizational planning tools

7.3 Strategic and Business Planning

Learners will be able to:

- a. Identify and describe the meaning and relationships of strategic vision, mission, values and objectives.
- b. Describe the relationship between strategic, business and operational plans.
- c. Describe the steps in strategic plan development.

- d. Examine the elements of a business plan.
- e. Formulate vision and mission statements in a given business scenario.

7.4 Business Functions, Activities and Processes

Learners will be able to:

Learners will be able to:

- a. Describe and distinguish relationships between business functions, activities and processes and their support for achieving business objectives.
- b. Explain the relationship between entity and functional strategies.

7.5 Human Resource Management

Learners will be able to:

- a. Explain functions and evolution of human resource management
- b. Describe Organizational structure
- c. Explain leadership and management
- d. Explain Motivation
- e. Discuss organizational (corporate) culture
- f. Explain Industrial/employee relations

7.6 Marketing

Learners will be able to:

- a) Explain the role of marketing
- b) Describe Marketing planning (including introduction to the four Ps)
- c) Explain the importance of conducting Market research
- d) Describe the four Ps (product, price, promotion, place) and its extensions to seven Ps.
- e) Explain the essentials E-commerce

7.7 Operations management

Learners will be able to:

- a) Explain production methods
- b) Describe the concept and procedures of quality assurance
- c) Explain the basics of office management

7.8 Strategic Management

Learners will be able to:

- (a) Describe the meaning of the term strategic management
- (b) Analyse the benefits of strategic management
- (c) Describe how strategic management works
- (d) Analyse the types of strategic management
- (e) Analyse the steps of strategic management
- (f) Understand the meaning and types of budget

8.0 LEARNING CONTEXT

- a) Lectures
- b) Classroom discussions
- c) Group works
- d) Individual assignments
- e) Tutorials
- f) Role play

9.0 RECOMMENDED LEARNING MATERIALS

NBAA (2023). Business and Management Study Text. NBAA. Dar-es-Salaam, Tanzania.

10.0 OTHER RECOMMENDED LEARNING MATERIALS

Armstrong, M (2009). Armstrong's Handbook of Human Resource Management Practice (11th ed.), London: Kogan Page.

Boatright, J.R. (2007), Ethics and the Conduct of Business, 5th Edition, Prentice Hall, K. L., & Kotler, P. (2016). Marketing management. Pearson.

Mullins, L. J. (2007). Management and organisational behaviour. Pearson education.

Stimpson, P., & Smith, A. (2015). Business Management for the IB Diploma Course book. Cambridge University Press.

1.0	SUBJECT CODE AND NAME:	A03: FINANCIAL ACCOUNTING
2.0	LEVEL:	FOUNDATION
3.0	PRE-REQUISITE SUBJECT:	T05
4.0	CONTACT HOURS:	120

5.0 SUBJECT DESCRIPTION

This is an introductory subject providing a sound understanding of techniques of double entry accounting. It also involves application of the double entry principles in recording transactions, adjusting balances and preparing non-complex financial statements. It lays down a foundation for further accounting subjects.

6.0 PRINCIPAL LEARNING OUTCOME

Apply knowledge and skills in recording financial transactions and preparing non-complex financial statements for an entity including not for profit entity in accordance with the IFRSs and IPSASs and describe the nature and importance of auditing of financial statements.

7.0 INDICATIVE CONTENT AND SUPPORTING LEARNING OUTCOMES

7.1 Introduction to Accounting

Learners will be able to:

- a) Define accounting and explain the purpose and types of accounting.
- b) Define financial accounting and explain the process involved in financial accounting.
- c) Differentiate financial accounting from management accounting.
- d) Identify types of business entities
- e) Identify the users and the financial information they need about an entity.
- f) Explain the accounting cycle and accounting equation.
- g) Identify sources of data and information for compiling financial records.
- h) Describe the bases of accounting
- i) Explain the concepts, conventions and principles underlying the accounting profession.

7.2 Recording Business Transactions

Learners will be able to:

- a) Describe business transactions.
- b) Record the transactions in journals
- c) Post transactions in the ledgers.

7.3 Trial balance.

Learners will be able to:

- a) Describe a trial balance.
- b) State the purposes and uses of compiling the trial balance.
- c) Prepare the list of balances from ledgers at the end of an accounting period.
- d) Prepare a trial balance.

7.4 Corrections of accounting errors

Learners will be able to:

- a) Identify errors and discrepancies that require correction.
- b) State the procedures for correcting errors.
- c) Correct accounting errors using suspense accounts.
- d) Correct accounting errors using control accounts.
- e) State the effects of errors in financial statements.

7.5 Bank reconciliation

Learners will be able to:

- f) Explain the purpose of bank reconciliation.
- g) Identify the main reasons for differences between the cash book and the bank statement.
- h) Correct cash book errors and / or omissions.
- i) Prepare bank reconciliation statements.
- j) Identify the bank balance to be reported in the final accounts.

7.6 Control accounts

Learners will be able to:

- a) Explain the purpose of control accounts for accounts receivable and accounts payable.
- b) Explain how control accounts relate to the double-entry system including the general ledger, personal ledgers and books of prime entry.
- c) Prepare ledger control accounts from given information.
- d) Perform control account reconciliations for accounts receivable and accounts payable.
- e) Identify errors which would be highlighted by performing control account reconciliation.
- f) Identify and correct errors in control accounts and general and personal ledger accounts.

7.7 Yearend adjustments

Learners will be able to:

- a) Adjust account balances for accruals and prepayments.
- b) Adjust for an allowance for bad and doubtful debts.
- c) Adjust for depreciation of non-current assets.
- d) Explain the importance of adjusting trial balance at the year end.
- e) Prepare trial balance incorporating necessary year end adjustment

7.8 Financial statements preparation

Learners will be able to:

- a) State the objective and qualities of financial statements
- a) Show how information on the main financial statements may be useful to different categories of users.
- b) Explain general features of financial statements
- c) Discuss the structure and content of the Financial statements.

7.9 Cash flows statements

Learners will be able to:

- a) Differentiate between profit and cash flow.
- b) Explain the need for management to control cash flow.
- c) Recognise the benefits and drawbacks to users of the financial statements of cash flows.
- d) Classify the effect of transactions on cash flows.
- e) Calculate the figures needed for the statement of cash flows
- f) Calculate the cash flows from operating activities using the indirect and direct method.
- g) Prepare statements of cash flows from given information.
- h) Identify the treatment of given transactions in a company's statement of cash flows.

7.10 Partnership accounting

Learners will be able to:

- a) Explain the nature of partnerships and partnership agreements
- b) Accounts for formation of partnerships
- c) Record appropriation using fixed and fluctuating capital method
- d) Describe appropriation of partnership profits or losses
- e) Prepare a statement of profit or loss for a partnership
- f) Prepare a statement of financial position for a partnership

7.11 Introduction to Company accounts

Learners will be able to:

- a) Explain the meaning, features and types of companies
- b) Explain the process of incorporating companies
- c) Describe different categories of share capital of companies
- d) Describe the basics of fresh issue of shares
- e) Account for transactions involved in issue of shares
- f) Explain the accounting treatment of bonus and right issue of shares

7.12 Incomplete records

Learners will be able to:

- a) Describe the incomplete records and identify the reasons for incomplete records.
- b) Compute profit from comparison of net assets.
- c) Describe steps involved in identifying the missing information for sales, purchases and stocks lost or destroyed.
- d) Use control accounts to identify missing information.
- e) Compute profits using margins and mark-ups.
- f) Complete a double entry from single entry transactions.
- g) Prepare financial statements from incomplete records.

7.13 Manufacturing accounts

Learners will be able to:

- a) Define, explain and calculate: Direct cost, indirect cost, Prime cost, Production cost, Total cost, Inventory (Finished goods and work in progress).
- b) Explain and prepare for a manufacturing entity, manufacturing account, statement of income and expenditure and statement of financial position

7.14 Not –for profit entities

Learners will be able to:

- a) Differentiate not-for-profit entities from other entities.
- b) Describe the books of account prepared for not-for-profit entities.
- c) Prepare receipt and payment accounts.
- d) Prepare financial statements for not-for-profit entities.

7.15 Payroll accounting

Learners will be able to:

- a) Explain the meaning and objectives of payroll accounting
- b) Identify and explain employee's earnings
- c) Describe the gross pay and net pay of the employee
- d) Explain the basis of computing employee's basic pay

- e) Identify and compute all compulsory/statutory deductions of an employee's pay
- f) Identify and compute all non-compulsory deductions of an employee's pay
- g) Describe the records kept for recording payroll transactions.
- h) Prepare accounting entries for payroll and ledgers accounts
- i) Describe internal controls over payroll

7.16 Interpretation of financial statements

Learners will be able to:

- a) Explain techniques of analysis and interpretation of financial statements.
- b) State and explain types of categories of accounting ratios.
- c) Explain significance of financial ratios.
- d) Identify limitation of financial ratios.
- e) Explain and calculate financial ratios for a single company financial statements

7.17 Introduction to Auditing of financial statements

Learners will be able to:

- a) Define auditing and explain the differences between auditing and accounting
- b) Explain the importance of financial statements auditing
- c) Explain the qualities of an auditor
- d) Explain professional ethics of an auditor
- e) Explain procedures for appointment of an auditor
- f) Identify rights and duties of the auditor
- g) Explain the meaning and importance of audit planning
- h) Explain the meaning and qualities of audit evidence
- i) Identify the sources of audit evidence and methods of collecting audit evidence
- j) Define audit working papers and their forms
- k) Describe the importance of working papers
- l) Describe the audit report and prepare a simple audit report
- m) Describe the types of audit opinion

8.0 LEARNING CONTEXT:

- a. Interactive Lectures
- b. Case Studies
- c. Discussion
- d. Assignments

9.0 RECOMMENDED LEARNING MATERIALS

NBAA, (2023). Financial Accounting Study Text. NBAA. Dar-es-Salaam, Tanzania.

NBAA, (2023). Auditing Principles and Practice Study Texts.
NBAA Dar es Salaam, Tanzania

10.0 OTHER RECOMMENDED LEARNING MATERIALS

IASB, (2012), International Financial Reporting Standard Handbook, International Accounting Standard 1 and 7.

Larson, Wild Chiappetta, (2004), Fundamental Accounting Principles, (Vol.2, 17th Ed.), McGraw-Hill.

Maheshwari, S.N. Maheshwari, S.K. (2018), Financial Accounting (6th Ed.). VIKAS.

Maheshwari, S.N. Maheshwari, S.K. (2012), Advanced Accountancy, (5th Ed.).

VIKAS. Price, Haddock, Brock, (2003), College Accounting, (10th Ed.), McGraw-Hill.

Weetman, Pauline, (2006), Financial and Management Accounting, Pearson Education, FT Prentice Hall, Harlow Wood, Frank, Alan Sangster, (2005), Business Accounting 1, FT Prentice Hall, Harlow.

Wood, Frank, Alan Sangster, (2005), Business Accounting 2, FT Prentice Hall, Harlow.

- 1.0 SUBJECT CODE AND NAME: A04: COST ACCOUNTING**
- 2.0 LEVEL: FOUNDATION**
- 3.0 PRE-REQUISITE SUBJECT: T06 – PRINCIPLES OF COST ACCOUNTING**
- 4.0 CONTACT HOURS: 120**

5.0 SUBJECT DESCRIPTION

The subject equips students with knowledge and understanding of costing, cost management and production of accurate and useful cost information to support management on decision-making. It also equips learners with basic knowledge in procurement procedures, principles and legislation to enable them assist the management in effective procurement.

6.0 PRINCIPAL LEARNING OUTCOME

Apply knowledge and understanding of costing and cost management practices and awareness of procurement procedures to produce accurate and useful information to support management in decision- making and its application in performance management.

7.0 INDICATIVE CONTENT AND SUGGESTIVE LEARNING OUTCOME

7.1. Costing

7.1.1. Cost Classification

Learners will be able to:

- (a) Classify costs by nature, function and purpose, including identifying:
- Fixed, variable and semi-variable costs,
 - Product and period costs,
 - Direct and indirect costs.

- (b) Separate semi variable costs by using high-low method

7.1.2. Elements of Costing and Cost Statement

Learners will be able to:

- (a) Explain and distinguish between direct and indirect costs of labour and material.
- (b) Relate input labour cost to work done.
- (c) Explain the difference treatment of direct and indirect costs.

- (d) Identify and explain the importance of material costs.
- (e) Explain the procedures involved in determining production overhead absorption rates.
- (f) Explain the under and over absorption of overheads.
- (g) Prepare cost statement and show prime, production and total cost.

7.1.3. Costing for Products, Services and Projects

Learners will be able to:

- (a) Explain and calculate cost of products, services and projects including process costing.
- (b) Explain and perform job costing.
- (c) Explain and perform batch costing.
- (d) Identify and calculate project costs, income and project profit or loss.
- (e) Explain and use features of process costing.
- (f) Identify and calculate cost for joint and by-product.
- (g) Compile process account and illustrate accounting treatment for normal loss, abnormal loss and abnormal gain.
- (h) Explain and calculate equivalent units in a process and allocate process cost to equivalent units.
- (i) Identify and calculate service costs in different situations

7.1.4. Marginal and Absorption Costing

Learners will be able to:

- (a) Identify and calculate unit costs and the effect of different costing methods on reported financial results using marginal and absorption costing approaches.
- (b) Calculate and explain the differences between reported income using variable costing and absorption costing approaches.
- (c) Select, explain and use the most appropriate costing approach for a given product or service for reporting and decision-making purposes.

7.2. Introduction to Decision-making

7.2.1. CVP Analysis for a Single Product

Learners will be able to:

- (a) Demonstrate understanding of the concepts of Break Even (BE) analysis and contribution margin.
- (b) Prepare and interpret a break-even chart.
- (c) Calculate the break-even point, margin of safety and target profits for a single product.
- (d) Explain and interpret the limitations of CVP analysis.

7.2.2. Short-term Decisions

Learners will be able to:

- (a) Explain and use the relevant costing principles, including committed, sunk and opportunity cost
- (b) Make decision with a single limiting factor/ constraint.
- (c) Make inventory management decision (Ordering and holding cost of material).
- (d) Calculate optimal reorder quantities.

7.3. Budgeting

Learners will be able to:

- (a) Explain, select and justify the choice of the most appropriate methods of budgeting for controlling and motivational considerations, including:
 - Bottom-up and top-down approaches
 - Marginal and absorption approaches
 - Activity Based Budgeting approach
 - Zero-Based and incremental Budgeting approaches
 - Beyond budgeting approaches
- (b) Describe master budget, identify its major components and outline the interrelationship of its various components, including operating budgets, and financial budgets.
- (c) Prepare sales, production budgets, cash budget and simple income statement budget.

7.4. Introduction to Standard Costing and Variance

Learners will be able to:

- (a) Describe standard costing and explain basic, ideal, attainable and current standard costs.
- (b) Explain the objectives of standard costing and, illustrate its use and how it is set for direct materials, labour and overheads.
- (c) Calculate, explain and comment upon effects of total sales, material and labour variances from key performance measures and their implications on management decisions.

7.5. Procurement Management

7.5.1. Procurement and procurement Cycle

Learners will be able to:

- (a) Differentiate between procurement and purchasing.
- (b) Explain and use guiding principles, objectives and core values of procurement.
- (c) Describe and schedule activities involved in procurement cycle when buying goods or services.
- (d) Identify and use necessary procurement documents.
- (e) Describe the role of, and use Information Communication Technology (ICT) in procurement.

7.5.2. Public Procurement and Legislation

Learners will be able to:

- (a) Differentiate between public procurement and procurement in the private sector.
- (b) Explain and use the procedures involved in public procurement.
- (c) Describe and use the public procurement legal framework.
- (d) Explain the importance of stakeholders in procurement process and ways used to improve their involvement.
- (e) Describe and use the application of public procurement management systems in Tanzania.

7.6. Management Information Systems

Leaners will be able to:

- (a) Explain the nature of, and use data and information in business context.
- (b) Explain the role of, and use Information Communication Technology (ICT) and Digitization in cost information management.
- (c) Explain main information systems used by entities (including business process systems, transactions processing systems, management information systems, decision-support systems and executive information systems).

8.0 LEARNING CONTEXT:

- (a) Interactive Lectures.
- (b) Case Studies.
- (c) Discussion.
- (d) Assignments

9.0 RECOMMENDED LEARNING MATERIALS

NBAA (2023). Business Information Study Text. NBAA. Dar-es-Salaam, Tanzania.

Drury, C. M. (2013). Management and cost accounting. Springer

Public Procurement Act (Principal Legislation) Revised edition 2022

10.0 OTHER RECOMMENDED LEARNING MATERIALS

Horngren, C. T., Foster, G., Datar, S. M., Rajan, M., Ittner, C., & Baldwin, A. A. (2010). Cost accounting: a managerial emphasis.

Drury, C. M. (2013). Management and cost accounting. Springer.

Saxena, V. K. and Saxena, C. D. (2004). Advanced Cost and Management Accounting, 17th ed.

Sultan Chand and Sons Shar, P., (2009). Management Accounting, Oxford University Press.

Lucey, T. (2003). Management Accounting. 6th ed. Book power.

1.0 SUBJECT CODE AND NAME: A05: BUSINESS LAW

2.0 LEVEL: FOUNDATION

3.0 PRE-REQUISITE SUBJECT: NONE

4.0 CONTACT HOURS: 120

5.0 SUBJECT DESCRIPTION

This subject provides the foundation in law to equip learners with knowledge and understanding of the legal environment in which business operates.

6.0 PRINCIPAL LEARNING OUTCOME

Apply theories, practices and laws governing business in providing accounting services and protecting business against unnecessary litigations.

7.0 INDICATIVE CONTENTS AND SUPPORTING LEARNING` OUTCOMES

7.1 The Legal System of Tanzania

Learners will be able to:

- (a) Define law and classify laws applicable in Tanzania.
- (b) Understand the legal system of Tanzania.
- (c) Describe the applicability of laws in Tanzania.
- (d) Analyse sources of business law in Tanzania.
- (e) Identify the hierarchy and jurisdictions of the courts in Tanzania.
- (f) Compare the operations of the courts and tribunals in Tanzania.
- (g) Examine the application of procedural laws in facilitating the operations of the courts in Tanzania.

7.2 The Law Governing Business Organizations in Tanzania

7.2.1 Forms of Business Organizations

Learners will be able to:

- (a) Understand different forms of business organizations in Tanzania.
- (b) Distinguish different forms of business organizations, namely companies, partnerships, and sole proprietorship.
- (c) Identify laws applicable to govern the operations of the companies, partnerships and sole proprietorship.

7.2.2 Companies

Learners will be able to:

- (a) Describe a company, classifications of companies and their salient features.
- (b) Explain the process of incorporating companies, consequences of incorporation of the companies and the process of lifting the corporate veil of the companies.
- (c) Explain membership of companies and requirements for eligibility for the membership in companies and describe rights, duties and liability of members.
- (d) Describe capital and sources of capital of companies.
- (e) Identify different classes of shares and describe requirements for disclosure of ownership of shares and procedures for transferring of shares in companies.
- (f) Explain mechanisms for maintaining and protecting capital of companies.
- (g) Explain features of debentures and the registration process.
- (h) Describe the concept of management of companies.
- (i) Define a director and explain the appointment, remuneration, powers, rights and duties, termination and liability of directors of companies.
- (j) Describe types of meetings of companies, procedures for convening meetings and representation and explain voting process and passing of resolutions at the meetings.
- (k) Describe the requirements for preparing and keeping books of accounts, preparing the directors' reports and submission of auditors' reports and directors' reports.
- (l) Identify requirements and conditions as to signing of books of accounts, auditors' reports and directors' reports.
- (m) State accounting periods and circumstances under which extensions of accounting periods can be granted.

- (n) Explain rights and duties of directors and members of a company in relation to the books of accounts, auditors' reports and directors' reports.
- (o) Describe exemptions as to the requirement of preparing group accounts and submission of accounts by unlimited companies.
- (p) Define an auditor and explain the appointment, remuneration, powers, rights and duties, termination and liability of auditors of companies.
- (q) Define winding up of companies and explain the modes of winding up of companies.
- (r) Describe the circumstances under which companies can be wound up.
- (s) Identify and state rights, duties and liability of shareholders, contributories, creditors and directors in relation to liquidation of companies.
- (t) Describe a liquidator, a receiver and a committee of inspection and state their appointment, remunerations, powers, functions, rights, duties, vacation of their office and liability.
- (u) Explain procedures relating to settlement of debts out of assets of companies and state ranking creditors and shareholders and payment of costs of liquidation
- (v) Explain procedures for and consequences of dissolution of companies.

7.2.3 Partnerships

Learners will be able to:

- (a) Explain the legal aspects of partnerships in Tanzania.
- (b) Define a partnership and describe the types of partnerships.
- (c) Describe types of partners in partnerships
- (d) Analyse procedures relating to formation of partnerships in Tanzania.
- (e) Identify sources of capital in partnerships.

- (f) State duties, rights and liability of partners among themselves and towards the firm.
- (g) Describe mechanisms under which a firm can be dissolved.
- (h) Explain the consequences of dissolution of a partnership.

7.2.4 Sole Proprietorship

Learners will be able to:

- (a) Describe salient features of a sole proprietorship.
- (b) Explain distinguishing features of sole proprietorships, companies and partnerships.
- (c) State rights, duties and liability of a sole proprietor.
- (d) Identify the advantages and disadvantages of a sole proprietorship.
- (e) Describe the dissolution of a sole proprietorship.

7.3 Civil Law for Business and Professional Accountants

7.3.1 Law of Contract

Learners will be able to:

- (a) Explain the legal environment under which contractual relationships are governed.
- (b) Define a contract and identify types of contracts.
- (c) Distinguish contracts from non-contractual relationships.
- (d) Describe essentials of a valid contract.
- (e) Explain some salient features of contracts (terms of contract, privity of contract).
- (f) Describe discharge of contracts and its consequences.
- (g) State remedies for breach of contracts.
- (h) Explain salient issues relating to Memorandums of Understanding (MoUs), their legal implications, and their management.

7.3.2 Law of Agency

Learners will be able to:

- (a) Explain the legal aspects of the principal-agent relationships.
- (b) Define the concept of an agency and describe its nature.
- (c) Describe formation of an agency.

- (d) Identify duties and rights of a principal and an agent.
- (e) Explain acts or omissions of an agent that may amount to negligence and their consequences.
- (f) Discharge of an agency.

7.3.3 Law of Negotiable Instruments **Learners will be able to:**

Learners will be able to:

- (a) Explain the legal principles relating to negotiable instruments.
- (b) Describe the meaning of negotiable instruments, their characteristics and examples.
- (c) Describe bills of exchange, their salient features, examples and classifications.
- (d) Explain concepts of inchoate bills of exchange, signatures and liability of parties to bills of exchange and capacity of parties to bills of exchange.
- (e) Describe negotiation of bills of exchange and illustrate how the negotiation can be done.
- (f) Explain concepts of presentment of bills of exchange for acceptance and payment and conditions for such presentment.
- (g) Describe dishonour of bills of exchange and notice of dishonour.
- (h) Explain discharge of bills of exchange.
- (i) Define a cheque and describe the salient features and classifications of cheques.
- (j) Explain crossing of cheques, their significance and consequences.
- (k) State statutory protection available to a collecting banker and a paying banker of cheques.

7.3.4 Law of Torts

Learners will be able to:

- (a) Explain the legal principles governing torts relating to the accounting profession.
- (b) Define torts and describe their characteristics.
- (c) Identify types of torts and their classifications.
- (d) State defences available for tortious liability.

7.3.5 Employment Law Learners will be able to:

Learners will be able to:

- (a) Understand the legal aspects of employer- employee relationships in Tanzania
- (b) Identify sources of employment law in Tanzania.
- (c) State the core labour standards and the objectives of the employment law in Tanzania.
- (d) Describe the formation of contracts of employment and compare a contract of service and a contract for service.
- (e) Identify the salient features of contracts of employment.
- (f) Explain rights and duties of the parties to the employer-employee contracts.
- (g) Identify factors which can lead to the termination of a contract of employment.
- (h) Describe the concept of unfair termination of contracts of employment and its remedies.

7.3.6 Resolution of Employment Disputes

Learners will be able to:

- (a) Explain legal mechanisms for resolving employment disputes in Tanzania.
- (b) Identify institutions responsible for resolving employment disputes in Tanzania.
- (c) State institutional procedures for dealing with strikes, protest actions and lock-outs.
- (d) Describe institutional procedures for dealing with welfare of employees.

7.3.7 Introduction to Public Procurement Law

Learners will be able to:

- (a) Explain the procurement methods, types and tendering process.
- (b) Define and explain the concept of Public Procurement.
- (c) Describe the applicability of the laws governing the procurement process.
- (d) Identify the institutional mechanisms for enforcing the procurement laws in Tanzania.
- (e) State the consequences of non-compliance to the Public Procurement Act.

- (f) Identify the role of the accounting officer in a procuring entity in ensuring the compliance with the Public Procurement Act.

7.4 Ethical Conducts for Professional Accountants

Learners will be able to:

- (a) Explain the salient features of the codes of ethics for accountants and auditors.
- (b) Identify sources of codes of ethics for accountants and auditors and describe their applicability in Tanzania.
- (c) Compare and contrast effectiveness of ethical codes against law-based mechanisms.
- (d) Identify professional misconducts committed by accounting professionals.
- (e) State consequences of non-compliance of the codes of ethics for accountants and auditors.
- (f) Examine the enforcement procedures of codes of ethics for accountants and auditors in Tanzania.

7.5 Wrongs associated with Accounting Profession

7.5.1 Criminal Offences

7.5.1.1 Theft, Fraud, Forgery, Bribery, Corruption and allied Offences, Misuse of Public Office, Impersonation and allied Offences

Learners will be able to:

- (a) Explain the main criminal offences commonly involving or committed by the accounting professionals, namely theft, fraud, forgery, bribery and allied offences, money laundering, cyber-crimes, misuse of public office, and impersonation and allied offences.
- (b) Identify and distinguish basic elements of offences commonly committed by the accounting professionals.
- (c) Identify and state basic laws and procedures relating to offences commonly committed by the accounting professionals.
- (d) State the consequences of professional accountants being found guilty of criminal offences affecting or involving the accounting profession.

7.5.1.2 Money Laundering

Learners will be able to:

- (a) Explain the role in preventing, detecting and reporting money laundering activities to the relevant authorities.
- (b) Identify and state basic laws controlling money laundering in Tanzania.
- (c) Identify and state stages of money laundering and describe money laundering predicate offences and techniques of money laundering.
- (d) Explain duties of accountants prescribed in the anti-money laundering laws.
- (e) State the consequences of the accountants' non compliance with the requirements of the anti- money laundering laws.

7.5.1.3 Cyber Crimes

Learners will be able to:

- (a) Explain the role of the accounting professionals in preventing, detecting and reporting cyber-crimes activities to the relevant authorities.
- (b) Identify and state basic laws for controlling cyber-crimes (also known as e-crimes, electronic crimes, or hi-tech crimes) in Tanzania.
- (c) Identify and state types of cyber-crimes and gadgets (computers, phones, tablets, internet- enabled televisions and games consoles and smart phones) through which cyber-crimes can be committed and describe techniques used to commit the cyber-crimes.
- (d) Explain duties of accounting professionals in preventing, detecting and controlling cyber-crimes.
- (e) State the consequences of accounting professionals of not adopting and implementing mechanisms to control cyber-crimes affecting their duties.

7.5.2 Procurement related Crimes

Learners will be able to:

- (g) Explain the main criminal offences commonly involving or committed by the accounting professionals in relation to the procurement process.
- (h) Identify and state basic laws and procedures for dealing with the procurement related offences.

- (i) State the consequences of professional accountants being found guilty of procurement criminal offences.

7.5.3 Civil Wrongs

Learners will be able to:

- (a) Explain the main civil wrongs affecting the accounting profession.
- (b) Identify the elements of civil wrongs affecting the accounting profession.
- (c) State the consequences of professional accountants being liable for civil wrongs affecting accounting profession.
- (d) Explain professional negligence as applied to the professional accountants and its consequences.
- (e) Describe tort of vicarious liability as applied to the accounting professionals and its consequences.
- (f) Describe legal procedures for dealing with civil wrongs committed by professional accountants.

7.6 Contemporary Issues, Law and Accounting Professionals

Learners will be able to:

- (a) Explain the main contemporary issues affecting the accounting profession and the regulatory frameworks.
- (b) Describe how the accounting professionals can facilitate the operation of e-commerce/business.
- (c) Explain accounting compliance issues in gas and oil industry.
- (d) Explain issues related to acquisition, disposition and management of properties and their implications to the accounting profession.
- (e) Describe issues relating to protection of consumers of accounting services and remedies available to consumers in case of violation of consumer rights.

8.0 LEARNING CONTEXT

Learning will be conducted through:

- a. Lecturing
- b. Classroom discussions
- c. Group works
- d. Case studies
- e. Individual assignments
- f. Surfing/browsing (web-based materials)

9.0 RECOMMENDED LEARNING MATERIALS

NBAA, (2023). Business Law Study Text. NBAA. Dar-es-Salaam, Tanzania.

10.0 OTHER RECOMMENDED LEARNING MATERIALS

The Constitution of the United Republic of Tanzania, Cap 2[R.E. 2002]

The Anti-Money Laundering Act, Cap.197 [R.E.2019]

The Bank of Tanzania Act, Cap.348 [R.E.2002]

The Banking and Financial Institutions, Cap. 342 [R.E.2002]

The Bills of Exchange Act, Cap. 215 [R.E. 2002]

The Law of Contract Act Cap 345 [R.E. 2002]

The Companies Act, 2002

The Employment and Labour Relations Act, 2004
The Labour Institutions Act, 2004

The Public Procurement Act, 2011

The Judicature and Application of Laws Act, Cap. 358 [R.E.2002]

The Prevention of Terrorism Act, 2002.

The Proceeds of Crimes Act, 1991.

The Mutual Assistance in Criminal Matters Act, 1991.

The Prevention and Combating of Corruption Act, 2007.

The Economic and Organized Crime Control Act, Cap 200

The Magistrates' Courts Act, 1984 The Penal Code, Cap 16

The Criminal Procedure Act, Cap 20 [R.E. 2019]

The Civil Procedure Code, Cap 33 [R.E. 2002]

The Accountants and Auditors (Registration) Act, Cap 286 [R.E.2002]

The Accountants and Auditors (Registration) (Amendments) Act 2021

The Cybercrimes Act, 2015.

The Electronic Transactions Act 2015

The Petroleum Act 2015,

The Tanzania Extractive Industry (Transparency and Accountability) Act 2015.

The Oil and Gas Revenues Management Act 2015.

The Land Act, Cap 113.

The Village Land Act, 114

The Land Registration Act, Cap 334

The Accountants and Auditors (Registration) By-laws, 2019.

The Accountants and Auditors (Practising) By-laws, 2019.

The Accountants and Auditors (Examinations) By-laws, 2019.

The Accountants and Auditors Code of Ethics By-laws, 2019.

10.2 Books

Bakar, Bakar and John, Lyanga (2018) Inheritance Law and Accountancy in Tanzania.

Macintyre, E. (2008), Business Law, 4th ed., London. Longman.

Treitel, G. H., (2004), An Outline of the Law of Contract, 6th ed., London: Oxford University Press.

Keenan, D. and Riches, S., (2007), Business Law, 8th ed., Harlow: Pearson Education Limited.

Cranston, R., (2002), Principles of Banking Law, 2nd ed., London: Oxford University Press.

Ellinger, E. P. et al, (2010), Ellinger's Modern Banking Law, 4th ed., London: Oxford University Press.

Hopgood, M., (2006), Paget's Law of Banking, 13th ed., London: Butterworth's Law Muller, W. et al (eds) (2006), Anti-Money Laundering: International Law and Practice, London: Butterworth's Law.

Karake-Shalhoub, Z & Al Qasim, L. (2010), Cyber Law and Cyber Security in Developing and Emerging Economies, Cheltenham: Edward Elgar.

Dudley, A, Braman, J & Vincenti, G (2012), Investigating Cyber Law and Cyber Ethics: Issues, Impacts and Practices, Hershey, PA: Information Science Reference. Reed, C & Angel, J (2000), Computer Law, 4th Edition, London: Blackstone Press.

Dunne, R (2009), Computer and Law: An Introduction to Basic Legal Principles and their Application in Cyberspace, Cambridge: Cambridge University Press. Bell, A, C (2015), Employment Law, London: Sweet & Maxwell.

Turner, C (2012), Employment Law, London: Hodder Education. Holmes, A, E, M & Painter, R, W (2000), Employment Law, London: Blackstone.

Collins, H, K, et al (2012), Labour Law, Cambridge: Cambridge University Press.

Kenny, P. H & Hewitson, R, (2002), Property Law, London: Butterworths.

Barnes, R. (2009), Property Rights and Natural Resources, Oxford: Hart.

Martin, P. H. (2016), Williams & Meyers, Oil and Gas Law, New York: LexisNexis.

Lowe, J, (2014), Oil and Gas in a Nutshell, 6th Ed., West Academic.

1.0	SUBJECT CODE AND NAME:	A06: BUSINESS ECONOMICS
2.0	LEVEL:	FOUNDATION
3.0	PRE-REQUISITE SUBJECT:	
4.0	CONTACT HOURS:	120

5.0 SUBJECT DESCRIPTION

Business Economics and Taxation deals with the application of Economic and Taxation theories, principles and practices. On one hand the subject deals with the economic theories and business economic practice for the purpose of facilitating decision-making and forward planning by management in the context of Tanzanian Economy. On the other hand the subject deals with theories and principles of taxation, tax laws, tax administration. The subject enables candidates to effectively apply economic theories and principles and comply with tax laws both in public sector and in private sector.

6.0 PRINCIPAL LEARNING OUTCOME

At the end of the course students will be able to apply economic and taxation theories and methodology in managerial decisions. Moreover, students are expected to understand basic foundation of economic and taxation concepts and tools that have direct managerial applications. Specifically, the course content will sharpen analytical skills of students through integrating knowledge of economics and taxation in the Accounting profession. The intention of the course also is to provide conceptual insights for gaining a better understanding of business environment and to make quality business decisions.

7.0 INDICATIVE CONTENT AND SUPPORTING LEARNING OUTCOMES

PART A: ECONOMICS Weighting 80%

7.1 Nature and Scope of Economics

7.1.1 Introduction

Learners will be able to:

- (a) Define nature and scope of two branches of Economics which are Micro and MacroEconomics.
- (b) Describe what is Positive and Normative Economics.
- (c) Discuss the Central problems of Economy such as; Scarcity, choice and opportunity costs
- (d) Define and give examples of Production Possibility Curve and Opportunity Costs.
- (e) Demonstrate understanding of Economic Systems (Capitalist Economy, Socialist Economy and Mixed Economy).

Micro-Economics

7.2 Demand and Supply

7.2.1 Demand

Learners will be able to:

- (a) Demonstrate understanding of the Law of Demand by providing examples on real daily life experiences.
- (b) Describe and use the equilibrium situation between Demand and Supply as well as to determine price and quantity at equilibrium point.
- (c) Describe and use a Shift versus a Movement along a Demand Curve.
- (d) Identify factors that Shift the Demand Curve.
- (e) Discuss the government regulation of the Market: Price Ceilings and Floors.

7.2.2 Supply

Learners will be able to:

- (a) Demonstrate understanding of the Law of Supply by providing examples on real daily life experiences.
- (b) Identify and use determinants of supply (also known as factors affecting supply) which are the factors influence the quantity of a product or service supplied.
- (c) Explain and analyse a Shift versus a Movement along a Supply Curve.

7.2.3 Elasticity

Learners will be able to:

- (a) Explain the concept of elasticity for demand which is of great importance for determining prices of various factors of production since factors of production are paid according to their elasticity of demand.
- (b) Demonstrate understanding of the concept of own Price Elasticity.
- (c) Describe the relationship between Elasticity and Total Revenue in order to make managerial decision in a given scenario.
- (d) Determine Cross Price Elasticity of demand and analyse how the quantity demanded of one product changes due to the change in price of the product's substitute or its complement.
- (e) Describe Income Elasticity particularly on how fluctuations in demand for goods or services are precipitated by changes in the purchasing power of consumers.
- (f) Analyze how consumers adjust their spending habits along with changes on consumer's disposable income.

7.3 Theory of Consumer Behaviour

7.3.1 Utility theory

Learners will be able to:

- (a) Explain and illustrate the Utility theory upon individuals' preferences.
- (b) Explain behaviour of individuals based on the premise that people consistently rank order their choices depending upon their preferences.
- (c) Explain and distinguish between Cardinal and Ordinal Utility theory with respect to individual preferences.
- (d) Explain the Law of Diminishing Marginal Utility and its application in real world with practical examples.

7.3.2 Indifference Curve Analysis and Demand Curves

Learners will be able to:

- (a) Describe Indifference Curve and how it helps to understand the combinations of goods that lead to various levels of utility and how different combinations maximizes utility (subject to a budget constraint).
- (b) Explain and use the Budget constraints/Line and its component when analysing consumer behaviour. Also students will be able to assess the amount of a good that a person can buy depending upon the available income and the price of the good he/she is purchasing.
- (c) Explain and determine how changes in income affect the consumer behaviour and choices.
- (d) Explain and determine how Changes in prices affect the consumer behaviour and choices.
- (e) Describe the Consumer Equilibrium where consumer maximizes the satisfaction, subject to his/her budget or income constraint.

7.4 Theory of Production, Cost and Revenue

7.4.1 Production concepts

Learners will be able to:

- (a) Explain and use factors of production in economics, including their definition, their importance, and some examples.
- (b) Describe Total Product, Marginal Product, Average Product.
- (c) Explain and determine the Isoquants and how they are used to illustrate combinations of two inputs that can be used to produce the same output and how they are used by producers to minimize costs of production.
- (d) Explain and discuss the Law of diminishing returns and Law of returns to scale with practical examples.

7.4.2 Costs Analysis

Learners will be able to:

- (a) Describe determinants of Cost of producing any output that depends upon the physical quantities of actual resources or services, labour, material, machine hours, and so forth used in production.

- (b) Explain and distinguish types of costs: Total cost, Variable Cost, Fixed costs, Marginal costs.
- (c) Describe the Short run cost output relationship.
- (d) Describe and use the cost output relationship in the long run.
- (e) Identify and use the relationship between Revenue concepts and Revenue Curves.

7.5 Theory of distribution (Factor Market)

Learners will be able to:

- (a) Describe and use the Marginal Productivity Theory and its contribution as a significant role in factor pricing.
- (b) Demonstrate understanding of the theories of factor pricing (wage, interest, profit and rent).
- (c) Describe and discuss Demand and Supply of factors of production analysis.

7.6 Market Structure Analysis

Learners will be able to:

- (a) Identify types of market
- (b) Identify some common characteristics of market which can be divided into some distinct groups, which are different among themselves in terms of nature and size of market, nature and size of purchase, purpose of purchase etc., and use the information for marketing strategies.

7.6.1 Perfect Competition

Learners will be able to:

- (a) Describe pricing under perfect market competitive of the product which is determined through a process of interaction between the aggregate or market demand and the aggregate or market supply.
- (b) Analyse equilibrium price at which the market demand becomes equal to market supply.
- (c) Describe and use profit maximization under perfect competitive market.

7.6.2 Monopoly Market

Learners will be able to:

- (a) Identify and discuss different sources of monopoly power and how they arise using practical examples.
- (b) Describe and use profit maximization under monopoly market.
- (c) Define and use price discrimination and how firms charge different price to different groups of consumers for the same good. Also how pricediscrimination can provide benefits to consumeras well as advantages of price discrimination in an economy.

7.6.3 Monopolistic Competition

Learners will be able to:

- (a) Identify features of Monopolistic competitionmarket with practical examples.
- (b) Describe and use profit maximization under Monopolisticcompetition.
- (c) Describe and use Long run equilibrium of Monopolisticcompetition market.

7.6.4 Oligopoly Markets

Learners will be able to:

- (a) Identify Features of Oligopoly
- (b) Describe and use profit maximization under the OligopolyMarket

Macro-Economics

7.7 National Income Accounting

Learners will be able to:

- (a) Demonstrate understanding of the fundamental principles of macroeconomic and objectives of macroeconomic policies.
- (b) Explain National income concepts and how they are used in macro-economic analysis and evaluation.
- (c) Discuss approaches to calculate national income that measures the monetary value of the flow of output of goods and services produced in an economy over a period of time.
- (d) Identify and use factors determining national income of a given country.

- (e) Identify and discuss usefulness of national income statistics in an economy.
- (f) Explain difficulties in measuring national income.

7.7.1 Keynesian National income determination

Learners will be able to:

- (a) Explain and use consumption and saving functions and how they are explained as fundamental bases of the Keynesian theory of income determination and multiplier analysis.
- (b) Define and use Marginal and Average Propensity to Consume and Save concepts and how they are used to explain national income determination.
- (c) Illustrate the equilibrium of National income and how it measures the level of national income which remains unchanged at a particular level under Keynesian approach.
- (d) Explain the expenditure multipliers and how is used in national income analysis

7.8 Theory of money, Financial Institutions and Monetary Policy

7.8.1 Theory of money

Learners will be able to:

- (a) Define and discuss the Concept of Money, its functions, Quantity Theory of Money and Credit Creation.
- (b) Discuss and apply the theory of Money Supply and Demand and how the supply and demand for money is affected by several factors such as income levels, interest rates, price levels (inflation), and uncertainty.

7.8.2 Financial Institutions

Learners will be able to:

- (a) Describe financial institutions and their roles such as distributing financial resources in a planned way to the potential users. Also, how other financial institutions collect and provide funds for the necessary sector or individual.
- (b) Describe how several institutions that act as the middleman join the deficit and surplus units.

- (c) Discuss the role and functions of Central Bank (Bank of Tanzania).
- (d) Discuss the role and functions of Commercial Banks.

7.8.3 Financial Markets

Learners will be able to:

- (a) Define and describe the classification of financial markets from the name itself, types of market place that provides an avenue for the sale and purchase of assets such as bonds, stocks, foreign exchange, and derivatives.
- (b) Demonstrate understanding of the concepts of Money and capital markets.
- (c) Explain and use the Primary and Secondary markets.
- (d) Describe the Stock Market and the Economy.
- (e) Apply the case study of the Dar es salaam Stock Exchange (DSE) as practical solution to understand roles and functions of stock exchange market.

7.8.4 Inflation

Learners will be able to:

- (a) Identify and explain different types of inflation.
- (b) Describe the causes of inflation.
- (c) Identify the problems caused by inflation with practical examples.
- (d) Describe measures used to cure effects of inflation.

7.9 International Trade Theory and Policy

Learners will be able to:

- (a) Define and explain basic concepts of International Trade and how countries exchange products and services from one country to another. Students also will be able to distinguish imports and exports.
- (b) Describe free trade and protectionist concepts and its application.
- (c) Demonstrate understanding of terms of trade and its uses in International trade.
- (d) Identify reasons for unfavourable terms of trade for LDCs.

- (e) Discuss and apply theories of International Trade (comparative and absolute advantage) in different scenarios.
- (f) Explain the trade policy (Import Tariffs, Export Subsidies, Quotas and Non-Tariff Barriers) and its effects in the economy.
- (g) Identify and discuss Tanzania trade policies and strategies.
- (h) Describe an overview of Regional Integration (EAC, COMESA, ECOWAS, SADC, and EU).

7.10 Unemployment

Learners will be able to:

- (a) Define and explain the concepts of employment and unemployment.
- (b) Identify and clearly explain different types of unemployment.
- (c) Identify the major causes of unemployment and their effects on the economy.
- (d) Describe several policies which are enacted by the government to reduce unemployment.
- (e) Discuss and illustrate the projection of employment and unemployment of Tanzania and the World.

7.11 Business Cycle

Learners will be able to:

- (a) Define and discuss the Business cycle concept and how Gross Domestic Product (GDP) fluctuates around its long-term natural growth rate and explains the expansion and contraction in economic activity that an economy experiences over time.
- (b) Identify the major characteristic features of business cycle.
- (c) Describe various phases of a business cycle in the economy.
- (d) Discuss and apply theories on business cycle with practical examples.

7.12 Overview of Tanzanian Economy

Learners will be able to:

- (a) Understand and discuss Tanzania's Economy (History and contemporary issues).
- (b) Discuss major Economic sectors of the Economy.
- (c) Identify and discuss policies and Strategies for Economic development

7.13 Public finance theory

Learners will be able to:

- (a) Explain the meaning and nature of public finance
- (b) Describe the role of, and use public finance in the economy
- (c) Identify and discuss the components of public finance (public revenue and public expenditure)
- (d) Identify and use tools of public finance and describe the role of fiscal policy in the economy
- (e) Identify and describe major instruments of fiscal policy (public revenue/taxation, public expenditure, government budget, public debt)
- (f) Explain and use factors which influence size of government expenditure
- (g) Identify and explain canons/principles of public expenditure
- (h) Examine the nature and types of public debts

PART B: TAXATION

7.14.1 Taxation Theories

- (a) Explain the meaning and nature of taxation
- (b) Identify various sources of government revenue (taxation and non-tax revenue)
- (c) Describe the role and/or need of taxation in society (discuss revenue and non-revenue goals of taxation)
- (d) Identify various types of taxes and describe the basis of their classification.

- (e) Describe and use criteria to judge desirability of a tax system (canon of taxation).
- (f) Explain the economic effects of taxation (on production, saving, resource allocation, and income distribution).

7.14.2 Tax Administration in Tanzania

Learners will be able to:

- (a) Describe the Role, functions and powers of the Tanzania Revenue Authority
- (b) Identify and use the Tax Laws administered by the Tanzania Revenue Authority
- (c) Describe the TRA departments and their roles in tax administration

7.14.3 Introduction to Income Tax Laws

Learners will be able to:

- (a) State the nature and imposition of Income Tax in Tanzania
- (b) Identify the categories of income liable to tax
- (c) Describe the concept of total income
- (d) Identify types of assessment under the Income Tax Act 2004
- (e) Describe Tax Returns for income tax (their contents, frequency and due date)
- (f) Identify the forms of payment of income tax (withholding, instalments)
- (g) Perform basic income tax computations (identify applicable tax rates and calculate total income, business income, employment income and withholding taxes)

7.14.4 Introduction to Indirect Taxes:

Learners will be able to:

- (a) Identify the type of indirect taxes administered in Tanzania (Local Value Added Tax and Excise Taxes; and Import duty and excise duty, VAT on imports)
- (b) Explain the nature of Value Added Tax (VAT) [Nature of VAT, Taxable Persons, Taxable supplies, The concepts of exemption and zero-rating]

- (c) Describe Tax Returns for VAT (their contents, frequency and due date,
- (d) Perform Basic VAT Computations (Output VAT, Input VAT and VAT payable)
- (e) Explain the nature of Excise Taxes on domestic goods
- (f) Perform basic computation of duties and taxes on importation.

8.0 Learning Context

- a. Lectures.
- b. Classroom discussions.
- c. Group works.
- d. Individual assignments.
- e. Tutorials.
- f. Role play.

9.0 RECOMMENDED LEARNING MATERIALS

NBAA (2023). A6 Business Economics Study Text. NBAA. Dar-es-Salaam, Tanzania.

NBAA, (2023). Elements of Commercial Knowledge, Management Practices and Taxation Study Text. NBAA. Dar es Salaam, Tanzania.

10. OTHER RECOMMENDED LEARNING MATERIALS

Bade, R. and Parkin, (2007). *Foundations of Economics* 3rd edition (Pearson Education).

Connolly, Sarah, Munro, Alistair (2006). *Economics for Public Sector*, 2nd Edition: Financial Times/Prentice-Hall.

Dwivedi, D.N. (2005). *Principles of Economics*, 2nd Edition VIKAS Government Printers, Dar-es-salaam East African Community Customs Management Act (R.E. 2011), Government Printers, Dar-es-salaam.

Hirschey, M (2009), *Fundamentals of Managerial Economics*. 9th edition. South-Western CENGAGE Learning.

Income Tax in Tanzania, (2nd Edition 2019) by Deogratius N. Mahangila and Mariam M. Nchimbi.

Mankiew N. Gregory (2007). *Principles of Economics* 4th edition (Thomson, South-Western).

Mankiw, N. G. (2014). 7th Edition: *Principles of Economics*. Cengage Learning.

Miller, R.L (2006). *Economics Today* 13th edition (Pearson Addison Wesley).

Mishkin, Frederic S. (2007) 8th Edition: *The Economics of Money, Banking and Financial Markets*: Addison-Wesley.

Mpongoliana, R. G. (2005). *The Theory and Practice of Taxation in Tanzania*, NBAA, Dar es Salaam.

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Musgrave, A. and Musgrave, P. (1989). *Public Finance in Theory and Practice*. 5th ed, McGraw-Hill, New York.

Nightingale K. (2002). *Taxation Theory and Practice*. Pearson Education Limited, Edinburgh.

Other references

Pancer, D. and Nellis, J. (2006). *Principles of Business Economics*, 2nd Edition Financial Times/Prentice-Hall.

Perloft Jeffrey (2006). *Microeconomics*, 4th Edition: Addison Wesley.

Pindyck, Robert S., Rubinfeld, Daniel L., Mehta, Prem L. (2005). *Micro Economics*, 6th Edition.

Salvatore, D (2007), *Managerial Economics Principles and worldwide Applications*. 6th edition, Oxford University Press.

Sloman John (2006). *Economics* 6th edition (Prentice Hall).

The East African Community Customs Management (Amendment) Act, 2011

The Excise (Management and Tariff) Act; Cap 147 revised edition, 2008.

The Stamp Duty Act Cap. 189

The Tanzania Revenue Authority Act Cap. 399

The Tax Administration Act 2015, Revised Edition.

The Income Tax Regulation 2004.

The United Republic of Tanzania, VAT Act 2014, Government Printers, Dar-es-salaam The United Republic of Tanzania (2004), Income Tax Act 2004.

The Value Added Tax Regulation 2015 The Tax Administration Regulation 2018.

Value Added Tax in Tanzania, (3rd Edition 2019) by Deogratius N. Mahangila and Mariam M. Nchimbi.

INTERMEDIATE LEVEL (Skills and Analysis Level)

<i>Code</i>	<i>Subject Name</i>
<i>B01</i>	<i>Financial Management</i>
<i>B02</i>	<i>Financial Reporting</i>
<i>B03</i>	<i>Auditing Principles and Practice</i>
<i>B04</i>	<i>Public Finance and Taxation</i>
<i>B05</i>	<i>Performance Management</i>
<i>B06</i>	<i>Management, Governance and Ethics</i>

1.0	SUBJECT CODE AND NAME:	B01: FINANCIAL MANAGEMENT
2.0	LEVEL:	INTERMEDIATE LEVEL
3.0	PRE-REQUISITE SUBJECT:	A02: BUSINESS AND MANAGEMENT
4.0	CONTACT HOURS:	120

5.0 SUBJECT DESCRIPTION

The subject provides knowledge and skills in financial management. It acquaints learners to the corporate financial decision environment, principles of valuation, investment analysis, and financing decisions. It also expounds on dividend decisions, financial planning, working capital management, and forecasting.

6.0 PRINCIPAL LEARNING OUTCOME

Apply financial management knowledge and skills to assess investment opportunities, make accurate financial projections and effectively plan for the financial needs of an organization. It also enables individuals to make informed decisions on capital structure by applying debt and equity financing techniques, as well as determine the optimal level of working capital for a business. Moreover, the subject provides an understanding of dividend policy that helps individuals make informed decisions related to dividend.

7.0 INDICATIVE CONTENT AND SUPPORTING LEARNING OUTCOMES

7.1 Fundamentals of Financial Management

7.1.1 Financial Management Functions

Learners will be able to:

- (a) Describe financial management, its scope and role(s) in corporate management
- (b) Describe financial objectives and its relationship with corporate strategy
- (c) Describe financial objectives and other objectives in not-for-profit organizations.
- (d) Evaluate the relationship between business objectives and financial management objectives.
- (e) Evaluate the roles, motivations and interests of

- different stakeholders (finance managers, treasury managers, owners e.t.c) in financing decisions.
- (f) Assess agency theory and its relevance to financial management.

7.1.2 Financial Management Environment

Learners will be able to:

- (a) Describe an overview of the financial management environment
- (b) Evaluate the financial system and fund flow in an economy and its relevance to Tanzanian context.
- (c) Describe and apply the nature and roles of financial markets and institutions
- (d) Apply Efficient Market Hypothesis (EMH) in corporate decision-making process
- (e) Evaluate the professional and regulatory environment relevant to financial management including:
 - i. Bank of Tanzania (BoT)
 - ii. Capital Market and Securities Authority (CMSA)
 - iii. Tanzania Insurance Regulatory Authority (TIRA)

7.1.3 Risk and Return Analysis

Learners will be able to:

- (a) Describe and measure return and expected returns.
- (b) Evaluate different types of risks.
- (c) Describe and use the relationship between risk and return.
- (d) Use market information to compute rate of return, variances and standard deviation of returns.
- (e) Describe and measure risk and expected return in a portfolio context.
- (f) Analyse the power of diversification in achieving superior return for a given level of risk or minimum risk for a given level of expected return.
- (g) Determine and perform optimal portfolio weights.

7.1.4 Time Value of Money

Learners will be able to:

- (a) Define the time value of money concept, its two main perspectives and explain the role it plays in financial management.
- (b) Apply the time value of money concept to determine future and present values of different cash flow patterns.
- (c) Apply the time value concept to evaluate different cash flow options and plan for various activities such as sinking funds, deferred annuity, retirement plan and capital recovery plans.
- (d) Apply the time value of money to value real securities like, ordinary shares, preferred shares and debentures.

7.2 Financial Statement Analysis and Interpretation

Learners will be able to:

- (a) Identify and use annual reports, financial statements and their components.
- (b) Outline the factors that influence the contents of financial statements.
- (c) Identify various tools for financial statement analysis to determine the financial performance and position of a company.
- (d) Identify other analysis techniques such as Du Pont system, time series and trend analysis and multiple discriminant analysis.
- (e) Compute and interpret various stock market ratios.

7.3 Financing Decisions

7.3.1 Short, medium- and long-term financing alternatives

Learners will be able to:

- (a) Assess short term sources of finance – overdraft, trade credit, factoring, bills of exchange, and trade credit.
- (b) Evaluate forms of medium-term sources of finance – term loan, hire purchase, and leasing.

- (c) Assess the range of long-term sources of finance available to businesses, including equity, debt and venture capital.
- (d) Assess the advantages and disadvantages of each type of security as a method of raising the capital required by the corporation.
- (e) Describe and use the processes involved in issuance of corporate securities and discuss the choice and roles of investment advisers in the processes.

7.3.2 Cost of Capital

Learners will be able to:

- (a) Describe cost of capital and its significance in financial decision making.
- (b) Assess options for financing an entity based on a given business scenario and environment.
- (c) Evaluate the implication of tax on debt financing in relation to cost of capital.
- (d) Explain the application of CAPM in relation to cost of capital and describe its assumptions and limitations.
- (e) Evaluate costs of different financing methods used by a company.
- (f) Estimate the company's overall cost of capital and that of a project and identify the situations in which each is used as a valuation and decision tool.
- (g) Describe and use the roles of market and book values in computing cost of capital.
- (h) Describe the determinants of the level of cost of capital.
- (i) Analyse different uses of cost of capital in finance.

7.3.3 Financial Gearing and Capital Structure

Learners will be able to:

- (a) Explain financial gearing and capital structure.
- (b) Explain and compute operational gearing, and financial gearing.

- (c) Describe the relationship between financial gearing and operating gearing in assessing business and financial risk.
- (d) Describe the basic capital structure theories (the traditional theories, the net operating income theory, the Modigliani and Miller theories, signaling theory, Pecking order, bankruptcy and agency cost.
- (e) Evaluate whether or not capital structure has influence on value or cost of capital of a company.
- (f) Assess the effect of capital gearing on investors' perception of financial risk and return.
- (g) Determine the implications of debt financing on the return to shareholders under various financing alternatives.
- (h) Explain and compute the geared and ungeared betas and its implication to cost of equity.
- (i) Evaluate the determinants of capital structure of a firm.

7.4 Investment Decisions

7.4.1 Investment Appraisal (Capital Budgeting)

Learners will be able to:

- (a) Describe the nature of long-term investments and their roles in corporate development.
- (b) Explain the investment process and the framework for evaluating investment projects.
- (c) Assess investment appraisal techniques based on a given business, its objectives and circumstances.
- (d) Compare various appraisal techniques.
- (e) Assess appropriate discount factors or rates used to undertake an investment appraisal based on a given business scenario, data and information.
- (f) Apply appraisal techniques (discounted and non-discounted cash flow) and discount factors or rates to appraise various investment project scenarios
- (g) Assess appropriate data that may be used in cash flow calculations based on given business scenario data and information.

- (h) Estimate cash flows for investment appraisal.
- (i) Perform investment appraisal under inflationary condition.

7.4.2 Advanced investment appraisal

Learners will be able to:

- (a) Assess factors that may need to be considered beyond basic investment appraisal analysis including assessment of risk, subjective factors, intangible factors, and limitations in data and information which may affect the advice given.
- (b) Incorporate risk and inflation into the investment appraisal using various techniques/ models.
- (c) Perform investment appraisal (calculating optimal investment plan) under capital restrictions and limitations.
- (d) Perform investment appraisal under asset replacement and abandonment conditions.
- (e) Evaluate the impact of non- financial factors such as economic, social and environmental issues on making an appropriate investment decision.

7.4.3 Investments in Securities and Portfolio Theory

Learners will be able to:

- (a) Describe and use the portfolio investment and management process, indifference curves and investors, preferences, investment policies and strategies.
- (b) Analyse the objectives and constraints of individual investors.
- (c) Describe and apply the theory of portfolio allocation – asset allocation across risky and risk- free assets.
- (d) Describe and use the principle of diversification – the Markowitz portfolio theory.
- (e) Determine the minimum variance portfolio and efficient frontier.

- (f) Describe and apply capital market line and the separation theory.
- (g) Differentiate between SML and CAPM; and between CAPM and Asset pricing Theory (APT).
- (h) Differentiate between SML and capital market line; and between CAPM and capital market line.
- (i) Describe and apply the capital market line and the separation theory.
- (j) Compute the beta factor and alpha values.
- (k) Compare the CAPM and the Arbitrage Pricing theory (APT).
- (l) Assess performance of a portfolio using the risk adjusted benchmarks – The Treynor, Jensen and Sharpe Measures.

7.5 Dividend Policy

Learners will be able to:

- (a) Describe and use the alternative dividend policies that companies can adopt and their significance.
- (b) Discuss and apply the various arguments put forward by different schools about dividend policy – dividend irrelevance, dividend relevance, mid-roads schools as well as the role of market imperfections in the debate.
- (c) Compute and interpret share price under the models representing each school of thought.
- (d) Examine the factors which determine a company's dividend policy, with some reflections on the evidence in Tanzanian market and beyond.
- (e) Analyse the alternatives to cash dividends such as share repurchases, and script dividend showing the advantages and disadvantages of each alternative.

7.6 Working Capital Management

Learners will be able to:

- (a) Demonstrate understanding of the principles underlying effective management of working capital.
- (b) Describe application of different working capital policies and the impact of each on the profitability and liquidity position of the business.
- (c) Assess the determinants of the working capital policy of businesses.
- (d) Apply relevant accounting ratios to estimate the working capital requirements of a firm.
- (e) Evaluate the use of economic order quantity model and just in time techniques in managing inventory.
- (f) Apply different techniques in managing receivables including assessment of credit worthiness, early settlement discounts as well as factoring and invoice discounting.
- (g) Apply different techniques in managing payables including using trade credit effectively, evaluating the benefits of early settlement, purchases discounts etc.
- (h) Determine the optimal cash balance and its effects on the profitability-liquidity position of the firm (Baumol's and Miller-Orr Models).

7.7 Financial Planning and Forecasting

7.7.1 Financial Planning

Learners will be able to:

- (a) Describe and use the nature and scope of financial planning.
- (b) Explain and use the relationship between short term and long-term financial planning.
- (c) Analyse planning requirements for financial control.
- (d) Prepare a short-term plan using relevant techniques.
- (e) Evaluate and explain the implications of given terms in a loan or financing agreement including covenants, warranties and guarantees.

7.7.2 Financial Forecasting

Learners will be able to:

- (a) Prepare cash flow forecasts
- (b) Link external financing and the company growth.
- (c) Evaluate suitable source(s) to finance fund needs
- (d) Prepare proforma financial statements

8.0 LEARNING CONTEXT

- a. Lecturing, presentations and Guest speaking.
- b. Classroom discussions, role playing and brain storming.
- c. Group works and Individual assignments.
- d. Practical problem solving.
- e. Surfing/browsing (Web based materials).

9.0 RECOMMENDED LEARNING MATERIALS

NBAA, (2023). Financial Management Study Text. NBAA. Dar-es-Salaam, Tanzania.

10.0 OTHER RECOMMENDED LEARNING MATERIALS

ACCA Financial Management, *Study Text* Arnold, G. (2008). *Corporate financial management*. 4th edition. Harlow: FT Prentice Hall.

Bodie, Z., Kane, A. and Marcus, A.J. (2018). *Investments*. 11th edition. Boston: McGraw Hill.

Brealey, R. A., Myers, S. C. & Marcus, A.J. (2015) *Fundamentals of corporate finance*. 8th edition. Boston: McGraw-Hill, Irwin.

Brigham, E. F. & Houston, J. F. (2018) *Fundamentals of Financial Management*. 15th Edition. Cengage Learning, USA.

Gitman, L. J. (2015) *Principles of managerial finance*. 14th edition. Pearson.

Pandey, I. M. (2018) *Financial management*. 11th edition. New Delhi: Vikas Publishing House Pvt Ltd.

Van Horne, J.C and Wachowicz Jr,J.M (2009). *Fundamentals of Financial Management*, 13th Edition, FT Prentice Hall- Pearson Education Ltd., England.

Ross, S. A., Westerfield, R. W. and Jordan, B. D. (2021). *Fundamentals of Corporate Finance*. 14th edition. Boston: McGraw-Hill - Irwin.

Ross, S.A., Westerfield, R.W. and Jaffe, J. (2019). *Corporate finance*. 13th edition. New York: McGraw Hill – Higher Education.

Srivastava, R. and Misra, A. (2010). *Financial management*. 6th impression. New Delhi: Oxford University Press.

Watson, D. and Head, A. (2010). *Corporate finance: Principles and practice*. 5th edition. Harlow: FT Prentice Hall – Pearson Education Ltd.

1.0	SUBJECT CODE AND NAME:	B02: FINANCIAL REPORTING
2.0	LEVEL:	INTERMEDIATE
3.0	PRE-REQUISITE SUBJECT:	A03
4.0	CONTACT HOURS:	120

5.0 SUBJECT DESCRIPTION

This financial reporting subject is a continuation from the financial accounting subject in Foundation Level, and assumes candidates have prior knowledge of the subject. It deals with the understanding of the accounting concepts and applying them in preparing financial statements as well as analysing them for users.

6.0 PRINCIPAL LEARNING OUTCOME

Apply knowledge and skills in preparation of financial statements for a separate entity and a group in accordance with the IFRSs and IPSASs and analyze financial statements to examine the sustainability of the business entity.

7.0 INDICATIVE CONTENT AND SUPPORTING LEARNING OUTCOMES

7.1 REGULATORY FRAMEWORK, THE INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB) AND THE CONCEPTUAL FRAMEWORK

7.2 REGULATORY FRAMEWORK, THE INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB)

Learners will be able to:

- a) Explain the importance of Regulatory Framework for financial reporting.
- b) Describe the regulatory framework of accounting in Tanzania.
- c) Explain the purpose of an accounting standard and list the main steps in the standard setting process adopted by the IASB
- d) Describe the method by which accounting standards are developed.
- e) Discuss the structure of the IFRS/IASB

- f) Describe the role of IASB, IPSASB and NBAA in regulating the accounting profession.
- g) Discuss the benefits and barriers of global harmonisation of financial reporting standards

7.3 THE CONCEPTUAL FRAMEWORK AND ACCOUNTING BASES

Learners will be able to:

- a) Explain the meaning, purpose, status and contents of the IASB conceptual framework
- b) Describe the argument for and against the conceptual framework
- c) Explain the need for recording transactions based on the commercial substance rather than their legal form.
- d) Describe the bases of accounting in presentation of financial statements.

7.4 ACCOUNTING FOR THE ELEMENTS OF FINANCIAL STATEMENTS IN LINE WITH IFRSS REQUIREMENTS

- (a) Non-Current Assets (including Property, Plant and Equipment, Investment property, Intangible assets, Borrowing Cost, Government Grants and Government Assistance, and Non-Current Asset classified as held for sale).

Learners will be able to:

- (a) Explain the initial recognition of a non-current asset (including a self-constructed asset).
- (b) Describe and illustrate the subsequent measurement of tangible non-current assets, including their revaluation and disposal.
- (c) Apply the requirements of international accounting standards to property plant and equipment.
- (d) Apply the requirements of international accounting standards to intangible assets.

- (e) Apply the requirements of international accounting standards to investment properties.
- (f) Account for borrowing costs in accordance with international accounting standards.
- (g) Account for depreciation and disclosures in financial statements.
- (h) Apply the provisions of international accounting standards to government grants and government assistance.
- (i) Describe the criteria for and accounting for non-current assets to be classified as held for sale, and discontinued operations.

(b) Intangible assets

Learners will be able to:

- (a) Define intangible assets and distinguish goodwill from other intangible assets.
- (b) Explain and apply the requirement of International Accounting Standard on Intangible asset to recognise and measure intangible assets.
- (c) Explain the subsequent accounting treatment of intangible assets.
- (d) Explain the accounting for research and development expenditure.

(c) Impairment of assets

Learners will be able to:

- (a) Define impairment losses and identify circumstances that may indicate that an impairment of an asset has occurred.
- (b) Recognize, measure and present an impairment loss and make relevant disclosure related to impairment of assets.
- (c) Define a cash-generating unit and allocate impairment loss to the assets belonging to a cash-generating unit.
- (d) Conduct an appropriate accounting treatments for reversal of impairment losses.

(d) Leases

Learners will be able to:

- (a) Apply the principles for recognition and measurement of right of use asset and lease liability in the record of lessee
- (b) Describe the recognition exemptions under the current leasing standard
- (c) Apply the principles for classification, recognition and measurement of operating leases and finance leases in the financial statements of lessors
- (d) Describe sale and leaseback transactions and their accounting treatment.

(e) Revenue from contracts with customers

Learners will be able to:

- (f) Explain and apply the principles of revenue recognition in:
 - Identification of contracts
 - Identification of performance obligations
 - Determination of transaction price
 - Allocation of the price to the performance obligations
 - Recognition of revenue when/as performance obligations are satisfied
- (g) Describe and apply the acceptable methods for measuring progress towards complete satisfaction of performance obligations
- (h) Explain and apply the criteria for the recognition of contract costs
- (i) Apply the principles of revenue recognition in specific situations such as:
 - Transactions involving principal and agent;
 - Repurchase agreements;
 - Bill and hold arrangements
 - Consignment agreements
- (j) Account for different types of consideration (including variable consideration) and where a significant financing component exists in the contract.

- (k) Prepare financial statement extracts for contracts with multiple performance obligations, some of which are satisfied over time and some at a point in time.

(f) Financial Instruments

Learners will be able to:

- (a) Describe the key terms and definitions in the context of financial instruments.
- (b) Describe the initial recognition, classification and subsequent measurement of financial assets and financial liabilities.
- (c) Describe and account for de-recognition of financial instruments and impairment of financial assets.
- (d) Apply the accounting treatment for debt instruments and equity instruments.
- (e) Describe the accounting of fixed interest rate and compound financial instrument.
- (f) Apply relevant presentation and disclosure requirements of financial instruments in accordance with IFRSs.

(g) Provisions, contingent assets and liabilities

Learners will be able to:

- (a) Discuss when provisions may and may not be made, and how they should be accounted for.
- (b) Describe the measurement of provisions in accordance with international accounting standards.
- (c) Describe:
 - (i) Legal obligations
 - (ii) Constructive obligations
 - (iii) Restructuring provisions
- (d) Define contingent assets and liabilities – give examples and describe their accounting treatment.
- (e) Identify and account for:
 - (i) Onerous contracts
 - (ii) Environmental and similar provisions

(h) Fair Value Measurement

Learners will be able to:

- (a) Define and apply the definitions of 'fair value' measurement and 'active market' including the fair value hierarchy in accordance with relevant IFRS.
- (b) Apply relevant principles used to determine the fair value in accordance with relevant IFRS.
- (c) Explain the relevant scenarios allowing an entity to use a valuation technique

(i) Inventories

Learners will be able to:

- (a) Describe inventory
- (b) Apply inventory recording systems in business undertaking.
- (c) Apply the principles of inventory recognition, measurement, presentation and disclosure in accordance with International Accounting Standard on inventory.

(j) Taxation in financial statements

Learners will be able to:

- (a) Define the terms such as tax expense, current tax, and losses carried back and losses carried forward in accordance with international accounting standards.
- (b) Account for current taxation in accordance with relevant accounting standards.
- (c) Account for deferred tax in accordance with international accounting standards.
- (d) Measure and record deferred tax liabilities and assets in the financial statements.

7.5 Preparing financial statements

(a) Preparation of financial statements for private entities

Learners will be able to:

- (a) State the objectives of international accounting standards governing presentation of financial statements.

- (b) Identify and state the laws, regulations accounting standards and other requirements that govern the production of financial statements of private sector entities.
- (c) Evaluate, judge and advise on the appropriateness of chosen accounting policies with regard to compliance with IFRSs
- (d) Draft and compile financial statements (statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and relevant notes and disclosures), or extracts of financial statements, of a single entity in accordance with its ~~own~~ policies and IFRSs.

(b) Preparation of financial statements for public sector entities

Learners will be able to:

- (a) Assess the circumstances in which the use of IFRSs for companies and IPSASs for public sector entities may be required.
- (b) Explain the role of IPSASs in public sector financial reporting
- (c) Explain and apply specific reporting framework for public sector entities to achieve the following:
 - i. Draft and compile financial statements, or extracts of financial statements, of a public sector entity in accordance with the requirements of IPSAS 1.
 - ii. Draft and compile statement of cash flows or extracts of a public sector entity in accordance with the requirements of IPSAS 2
 - iii. Apply the relevant principles of accounting for the Impairment of Non-Cash-Generating Assets in accordance with the requirements of IPSAS 21.
 - iv. Apply the relevant principles of accounting for the Revenue from Non-Exchange Transactions in accordance with the requirements of IPSAS 23

- v. Define and apply disclosure requirements of Financial Information about the General Government Sector in line with the requirements of IPSAS 22
- vi. Apply the relevant principles for presentation of Budget Information in Financial Statements of public sector entity in line with the requirements of IPSAS 24
- vii. Apply the relevant principles of accounting for Service Concession Arrangements in public sector entity in line with the requirements of IPSAS 32

(c) Reporting financial performance and events after the reporting period

Learners will be able to:

- (a) Calculate basic EPS in situations:
 - (i) Where there has been a bonus issue of shares during the year
 - (ii) Where there have been stock splits during the year
 - (iii) Where there has been a rights issue of shares during the year.
- (b) Calculate the diluted EPS in the following situations:
 - (i) Where convertible debt is in issue
 - (ii) Where share options and warrants exist.
- (c) Distinguish between and account for adjusting and non-adjusting events after the reporting date.
- (d) Account for changes in accounting policy, error and changes in accounting estimates.

7.6 Preparing consolidated financial statements

(a) Prepare and evaluate group consolidated financial statements

Learners will be able to:

- (a) Identify the need for preparing consolidated financial statements.
- (b) Discuss the circumstances in which entities are required to prepare and present statutory consolidated financial statements.

- (c) Define group and explain the importance of control in identifying a group.
- (d) State the purpose of preparing consolidated financial statements.
- (e) Identify and state the laws, regulations accounting standards and other requirements that govern the production of consolidated financial statements by entities.
- (f) Identify circumstances when a subsidiary can be excluded from consolidation.
- (g) Prepare a consolidated statement of financial position for a simple group.
- (h) Discuss the meaning of purchase consideration and understand various methods of purchase consideration.
- (i) Account for goodwill and non-controlling interest.
- (j) Prepare a consolidated statement of profit or loss and other comprehensive income and statement of changes in equity for a simple group.
- (k) Evaluate and calculate the figures to be included in consolidated financial statements in respect of an acquisition, continuing ownership.

(b) Intra-group adjustments and fair value adjustments

Learners will be able to:

- (a) Explain the need to eliminate intra-group transactions in the consolidation process.
- (b) Analyze internal transactions requiring eliminations.
- (c) Account for the effects of fair value adjustments to:
 - Depreciating and non-depreciating non-current assets
 - Inventory
 - Monetary liabilities
 - Assets and liabilities not included in the subsidiary's own statement of financial position, including contingent assets and liabilities.

(c) Business combinations –associates and joint ventures.

Learners will be able to:

- (a) Define associates and explain the accounting treatment for associate companies and joint ventures

- (b) Draft, compile and present the consolidated financial statements or their extracts in accordance with selected accounting policies and the requirements of IFRSs.

7.7 Financial statements analysis and evaluation

Learners will be able to:

- (a) Calculate basic financial ratios and assess the financial results and position of a single entity.
- (b) Explain financial statement analysis and its objectives.
- (c) Describe the focus of financial statement analysis.
- (d) Identify techniques for financial statements analysis and evaluation
- (e) Explain the limitation of using ratio analysis.

8.0 LEARNING CONTEXT

- i. Lecturing
- ii. Classroom discussions
- iii. Tutorials
- iv. Group works
- v. Case studies
- vi. Individual assignments
- vii. Surfing/browsing (Web based materials)

9.0 RECOMMENDED LEARNING MATERIALS

NBAA, (2023). Financial Reporting Study Text. NBAA. Dar-es-Salaam, Tanzania.

10.0 OTHER RECOMMENDED LEARNING MATERIALS

Maheshwari, S.N (2018) 6th edition Financial Accounting.

Wood, Frank (2018) Business Accounting Volume 2.

Dermine, Jean, Bissada, Jousef F, 2002, Asset and Liability Management – a guide to value creation and risk control, Prentice Hall.

Elliot B, Elliot J (2008), Financial Accounting and Reporting, (12th Edition) Prentice Hall.

Glautier, M.W.E, and B Underdown, Accounting Theory and Practice (7th Edition) Prentice Hall.

1.0	SUBJECT CODE AND NAME:	B03: AUDITING PRINCIPLES AND PRACTICE
2.0	LEVEL:	INTERMEDIATE LEVEL
3.0	PRE-REQUISITE SUBJECT:	A01
4.0	CONTACT HOURS:	120

5.0 SUBJECT DESCRIPTION

The subject intends to introduce the nature and purpose of both internal and external auditing. It further continues by equipping candidates with hands-on skills of undertaking audit assignments as per the International Standards on Auditing (ISA) and provides a link between audit procedures/evidence and audit objectives/conclusion/report.

6.0 PRINCIPAL LEARNING OUTCOME

Apply auditing principles and standards in executing external audit assignments (carrying out audit procedures) and coming up with appropriate reports, as well as implementing entity's internal control policies in carrying out internal audits.

7.0 INDICATIVE CONTENT AND SUPPORTING LEARNING OUTCOMES

7.1. Objectives, Process and Need for External Audit and Assurance Services

Learners will be able to:

- (a) Demonstrate understanding of the concepts of audit and assurance
- (b) Describe the reasons for and the benefits gained from the different types of audit and assurance assignments including those relating to financial statements, internal controls, corporate social responsibility and sustainability reports
- (c) Use expectation gap in the context of audit and assurance assignments and assess their implications for the profession, including fraud, going concern, internal control and risk issues
- (d) Describe and interpret public interest in auditing and the need for professional skepticism in carrying out assurance engagements

- (e) Describe materiality
 - Meaning of materiality
 - Determinants of materiality
 - Quantification of materiality
- (f) Describe audit risk and audit risk model
- (g) Apply the principles and requirements of audit documentation

7.2. The Nature and Use of Internal Controls

Learners will be able to:

- (a) Describe the nature of internal controls
 - internal controls
 - financial controls
- (b) Describe how internal controls support business, reporting and compliance.
- (c) Describe types of internal controls
- (d) Describe IT controls and manual controls
- (e) Use the main components of internal control including, the control environment, risk assessment, control activities, information and communication and monitoring activities
- (f) Evaluate internal controls in a scenario stating how the controls support particular aspects of reliable financial reporting and support the prevention and detection of fraud and error
- (g) Design audit procedures in response to assessed risks.
- (h) Describe and interpret the limitations of internal controls

7.3. The Nature of Audit Evidence and the Selection of Sufficient Appropriate Evidence

Learners will be able to:

- (a) Describe the importance of audit working papers.
- (b) Describe the concept of audit evidence including:
 - Source of audit evidence
 - Appropriateness of audit evidence
- (c) Describe the methods of obtaining audit evidence
- (d) Analyse efficiency and costs of obtaining audit evidence
- (e) Use appropriate audit procedures performed to obtain audit evidence
- (f) Describe and apply the reliability of audit evidence

- (g) Describe and apply the sampling of documents and transactions in gathering audit evidence
- (h) Describe and use the relevance audit procedures suitable to address assertions for elements of financial statements
- (i) Describe and apply Computer Assisted Audit Techniques (CAATs)
- (j) Evaluate the appropriateness of information regarding evidence obtained based on given scenario as basis for given opinion or report
- (k) Evaluate the circumstances under which matters raised by senior assurance team member can be documented and communicated to management and those charge with governance.

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

Learners will be able to:

- (a) Describe the importance of and apply professional ethics
- (b) Describe in context the fundamental ethical principles.
- (c) Analyse rules-based and principles-based approaches to professional ethics
- (d) Evaluate ethical issues based on the IFAC code of ethics
- (e) Propose suitable actions to deal with ethical threats
- (f) Describe and interpret ethical conflicts for employed accountant.

7.5 Audit reports, Types and the content

Learners will be able to:

- (a) Formulate audit conclusions from evidence collected in an audit
- (b) Analyse the form and content of the auditor's report for an audit engagement
- (c) Evaluate the implications of going concern, subsequent events and written representation
- (d) Propose an appropriate audit opinion given the circumstances of an audit
- (e) Draft audit reports based on opinions reached.

7.6. Public Sector Auditing

Learners will be able to:

- (a) Describe the regulatory framework of public sector audit in Tanzania
- (b) Describe the role of Controller and Auditor General (CAG)
- (c) Describe the legal environment in which the CAG and auditees function: Appointment, functions and legal mandate, resignation
- (d) Describe and apply specific considerations for public sector auditing
- (e) Describe and use Value for Money, management and technical audit
- (f) Describe the role of INTOSAI
- (g) Describe the role of Internal Auditor General (IAG)
- (h) Describe the legal environment in which IAG operates: Appointment, function, legal mandate, resignation

7.7. Specialized audits

Learners will be able to:

- (a) Explain the features, objectives, conduct and reporting in social and environmental audits
- (b) Explain the features, objectives, conduct and reporting in audit of not for profit organizations

7.8. Internal Audit of Entities

Learners will be able to:

- (a) Describe the key functions of Internal audit units
- (b) Describe International Professional Practice Framework (IPPF) and its application in internal audit.
- (c) Describe and use the internal audit reporting structure.
- (d) Describe the rationale for or against outsourcing of internal audit function.
- (e) Describe the assurance and consulting role of internal audit unit.

- (f) Describe the role of internal audit functions in risk management and internal control
- (g) Apply risk-based approach to internal auditing

8.0 LEARNING CONTEXT:

- a. Lecturing
- b. Classroom discussions
- c. Tutorials
- d. Group works
- e. Individual assignments
- f. Surfing/browsing (Web based materials)

9.0 RECOMMENDED LEARNING MATERIALS

NBAA, (2023). Auditing Principles and Practice Study Texts. NBAA. Dar es Salaam, Tanzania.

10.0 OTHER RECOMMENDED LEARNING MATERIALS

Sylvia, T., and King'ori, J. (2013). Auditing Theory and Practices.

Mhilu, F. (2012). Audit Assurance and Related Services. The Public Audit Act 2008

IFAC Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements.

Arens A. A. et al (Latest edition). Auditing and Assurance Services: An Integrated Approach, Auckland: Emerald Group Publishing Ltd.

ACCA Study Texts on Auditing and Assurance Services.

- 1.0 SUBJECT CODE AND NAME: B04: PUBLIC FINANCE AND TAXATION**
- 2.0 LEVEL: INTERMEDIATE LEVEL**
- 3.0 PRE-REQUISITE SUBJECT: A06**
- 4.0 CONTACT HOURS: 120**

5.0 SUBJECT DESCRIPTION

The subject builds learners' knowledge and skills in public finance and Taxation. The subject deals with public finance principles and theories on one hand and on the other hand it deals with theories and principles of taxation, tax laws, tax administration, and tax compliance. The subject enables candidates to effectively apply and comply with tax laws and principles, both in public sector and in private sector.

6.0 PRINCIPAL LEARNING OUTCOME

Apply knowledge of public finance, tax laws and principles in the computation of tax liabilities and filing of tax returns; and administering compliance with the tax laws; both in the public sector and in the private sector.

7.0 INDICATIVE CONTENT AND SUPPORTING LEARNING OUTCOMES

PART A: PUBLIC FINANCE

7.1. Public Finance and National Income

7.1.1. Introduction to Public Finance

Learners will be able to:

- (a) Explain the meaning of public finance and describe the differences between public finance and private finance.
- (b) Discuss the rationale for government intervention in the economy.
- (c) Discuss the economic functions of the government (allocation function, distribution function and stabilization function)
- (d) Describe the importance of public finance

7.1.2. Public Revenue

Learners will be able to:

- (a) Explain the meaning and classification Public Revenue.

- (b) Describe sources of Government Revenue (Tax and Non-Tax Revenues)
- (c) Identify the factors distinguishing a tax from other sources of government revenue.
- (d) Explain the arguments for and against foreign aids

7.1.3. Theoretical Concepts of Taxation

Learners will be able to:

- (a) Explain the nature and objectives/purposes of taxation
- (b) Explain and apply the principles/canons of taxation
- (c) Identify and explain the bases on which taxes are classified
- (d) Explain and apply principles of equity in taxation (benefits theory, sacrifices theory, ability to pay theory)
- (e) Describe the criteria for evaluating taxes
- (f) Discuss economic effects of taxation
 - Explain tax effects on Consumer and Producer Surplus
 - Explain tax effects on Demand and Supply
 - Explain tax effects on savings
 - Explain tax effects on labour supply
- (g) Explain the incidence of taxation
- (h) Demonstrate understanding of the concept of tax buoyancy and elasticity and taxable capacity
- (i) Demonstrate understanding of the concept of excess burden and optimal taxation
- (j) Explain the relation between tax rate and revenue collection

7.1.4. Public Expenditure

Learners will be able to:

- (a) Explain the meaning, objectives, classification and canons of public expenditures.
- (b) Examine factors affecting size and growth of public expenditure.
- (c) Evaluate government budget with practical examples.
- (d) Describe and apply theories of public expenditure (Wagner's laws of increasing state activities and Wiseman-Peacock Hypothesis)

- (e) Identify the criteria of assigning public expenditure across different levels of government.
- (f) Describe the institutions and instruments involved in implementation of expenditure policy (executive, parliament audit).
- (g) Describe public sector expenditure management tools (budget, parliamentary process, and accounting and audit)
- (h) Apply the decision rules in project evaluation under different budget scenarios (budget size fixed, budget size variable, lumpy projects)
- (i) Describe issues and challenges relating to government expenditure

7.1.5. Government Budget

Learners will be able to:

- (a) Demonstrate understanding of government budget and describe the various types of a national budget
- (b) Discuss the approaches for financing of government budget deficit
- (c) Explain the bases of government budget
- (d) Explain objectives and functions of a national budget
- (e) Describe government budgeting process in Tanzania
- (f) Apply techniques used in preparing national budgets

7.1.6. Public borrowings and debts

Learners will be able to:

- (a) Explain the meaning and classification of public debts
- (b) Discuss the causes, consequences and repayment of public debts
- (c) Discuss the Burden of Public Debt for the national development
- (d) Explain and take measures that can be used to reduce the burden of debts in Less Developed Countries

7.1.7. Fiscal and Monetary policy

7.1.7.1 Fiscal Policy

Learners will be able to:

- (a) Explain objectives of fiscal policy
- (b) Describe and apply tools/mechanisms of fiscal policy
- (c) Describe Forms of fiscal policy
- (d) Describe problems in using fiscal policy

7.1.7.2 Monetary Policy

Learners will be able to:

- (a) Identify and discuss objectives of monetary policy.
- (b) Identify and use Instruments of monetary policy.
- (c) Identify and discuss the limitations of monetary policy.

7.1.8. National Income Accounting

Learners will be able to:

- (a) Demonstrate understanding of the concepts of national income and national income accounting
- (b) Describe and use measurements methods of national income
- (c) Describe and apply determinants of the size of national income
- (d) Identify the role of the government in national income
- (e) Describe uses of national income statistics
- (f) Describe problems of computing/compiling national income
- (g) Explain weaknesses of using per capital income (PCI) statistics to compare standard of living among countries
- (h) Describe the role of the public sector in the circular flow of income and expenditure.
- (i) Explain and use the determination of equilibrium income in an economy with Two, Three and Four Sectors Models.

PART B: TAXATION

7.2. Tax Laws, Administration and Practice in Tanzania

7.2.1. Tax Administration in Tanzania

Learners will be able to:

- (a) Explain the historical background of TRA establishment
- (b) Explain the functions of the TRA
- (c) Identify the taxes administered by the TRA
- (d) Explain and use the tax administration provisions relating to tax consultants in the Tax Administration Act 2015.
- (e) Describe and apply Taxpayer's Charter
- (f) Explain and use the procedures for registration of taxpayers.
- (g) Explain and apply the procedure for obtaining a tax clearance certificate (TCC).
- (h) Explain and apply tax compliance theory

7.2.2. Sources of Tax Laws and its Interpretation

Learners will be able to:

- (a) Describe and apply the different sources of Tax Laws in Tanzania
- (b) Identify the general rules for interpretation of tax laws

7.2.3. Tax Planning, Avoidance and Evasion

Learners will be able to:

- (a) Differentiate between tax planning, tax avoidance and evasion
- (b) Describe maxims of tax planning
- (c) Explain main causes of tax avoidance and evasion
- (d) Identify general practices through which a taxpayer can eliminate or minimize tax liability through tax avoidance and evasion
- (e) Identify and explain the ways that can be employed to minimize tax avoidance and evasion
- (f) Apply income tax law measures against tax avoidance in Tanzania.

- (g) Describe and apply judicial anti-avoidance doctrines (Business purpose rule, substance over form principle, sham transaction, step transaction doctrine etc)

7.3. Income Tax

7.3.1. Introduction to Income Taxation

Learners will be able to:

- (a) Explain the concept of income for income taxation
- (b) Explain and identify the legal sources of income tax laws
- (c) Explain the basis of income taxation (Chargeable income and total income)
- (d) Determine the residential status of an individual, a partnership, trust and corporation
- (e) Describe the source of income and loss rules for income taxation
- (f) Explain relevant matters underlying income taxation (year of income and basis of accounting)
- (g) Explain Quantification, Characterization & Allocation rules and the Income Tax Act, Cap 332

7.3.2. Realization of Assets and Liabilities

Learners will be able to:

- (a) Explain and apply the rules relating to calculation of gain/loss of assets and liabilities
- (b) Explain and apply the rules relating to realization of assets and liabilities.
- (c) Determine the incomings and cost of assets and liabilities.
- (d) Explain special rules on deemed realization

7.3.3. Depreciation of Depreciable Assets

Learners will be able to:

- (a) Classify depreciable assets
- (b) Practice adding depreciable assets in the pool of depreciable assets
- (c) Calculate depreciation allowances

7.4. Computation of Taxable Income

7.4.1. Principles of Deduction Learners will be able to:

- (a) Explain and apply the general principle of deductions.
- (b) Identify the specifically allowable deductions.

7.4.2. Employment Income

Learners will be able to:

- (a) Define and explain the meaning of the term employment
- (b) Describe the tests that are used by the Courts and the Tanzania Revenue Authorities to distinguish an employee and a self-employed person.
- (c) Identify and use items included in calculation of chargeable income from employment.
- (d) Identify items excluded in calculation of chargeable income from employment.
- (e) Explain and quantify taxable benefits in kind.
- (f) Identify and implement the allowable deductions.
- (g) Establish income from employment.
- (h) Calculate income tax on the payments made on termination of employment and termination of contract of employment

7.4.3. Individuals Business Income

Learners will be able to:

- (a) Define the term business in the context of taxation
- (b) Explain and use the badges of trade in deciding on income
- (c) Describe the inclusions/ components of Income from Business
- (d) Describe exclusions/income which do not form part of business income
- (e) Calculate Business Income

7.4.4 Presumptive income taxation

Learners will be able to:

- (a) Explain the meaning of presumptive tax
- (b) Identify persons liable to turnover tax
- (c) Calculate turnover tax and explain the procedure for its payment.
- (d) Explain and apply taxation treatment of persons engaged in transportation of passengers or goods.

7.4.5. Individual's Investment Income

Learners will be able to:

- (a) Explain the meaning of Investment and its differences from business
- (b) Describe inclusions / component of investment income
- (c) Describe exclusions / income not included in Investment income
- (d) Explain allowable and non-allowable deductions of investment income
- (e) Establish and decide chargeable Investment Income

7.4.6. Payment Procedures of Tax

Learning Outcome:

- (a) Describe and apply tax payment procedures by withholding system.
- (b) Describe and apply tax payment procedures by installment.
- (c) Describe and apply tax payment procedures by return.
- (d) Explain the concepts of tax assessments and notice of assessment
- (e) Identify and use documents required to be maintained by Taxpayers.
- (f) Describe the e-filing process and documents required to be filed electronically
- (g) Describe and the "EFD" system, its benefits and challenges.

7.5. Non-Compliance with Income Tax Act

Learners will be able to:

- (a) Calculate Interest for Under Estimating Tax Payable.
- (b) Calculate Interest for failing to pay tax.
- (c) Calculate the penalty for failing to maintain documents.
- (d) Calculate penalty for failing to file tax return.
- (e) State the penalty for making false or misleading statements.
- (f) State and apply offences from non-compliance tax laws.
- (g) Describe and use Procedures to Recover Tax from Taxpayer.

7.6. Value Added Tax

7.6.1. Introduction to VAT (Theory and Practice)

Learners will be able to:

- (a) Explain the meaning, nature and operationalization of VAT
- (b) Illustrate and apply types of VAT (Consumption, Gross-product, and Income type VAT)
- (c) Explain and use methods of VAT computation (addition, subtraction and credit method)
- (d) Explain the argument for and against VAT
- (e) Describe and apply the Tanzanian VAT System

7.6.2. VAT Registration and Deregistration

Learners will be able to:

- (a) Explain the purposes and types of VAT Registration
- (b) Describe and use registrations for branches and divisions
- (c) Explain and use the statutory records to be maintained by VAT registered traders.
- (d) Explain the causes and effects of cancellation of registration.

7.6.3. Imposition and Liability to VAT

Learners will be able to:

- (a) Explain persons liable to pay Value Added Tax (Taxable persons)
- (b) Explain and use classification/ type of supplies (Taxable, zero-rated and exempt supplies)
- (c) Distinguish between composite and multiple supplies
- (d) Explain and apply place of supply/Taxation for goods and services.
- (e) Describe and use when Value Added Tax becomes payable (Time of supply)
- (f) Explain the concept of consideration and value for supply
- (g) Describe and use the procedures for calculation and payment of net amount (VAT payable or refundable)

7.6.4. Input Tax Credits

Learners will be able to:

- (a) Explain conditions for the person to claim /deduct input tax
- (b) Describe non -deductible input taxes
- (c) Explain and apply conditions for claiming pre-registration input tax
- (d) Explain and apply conditions for deduction of input tax on bad debts
- (e) Describe and use deduction and payments of input tax on imported goods and services

7.7. Customs

Learners will be able to:

- (a) Describe sources of Customs Law
- (b) Describe the objectives and scope of cooperation in the East Africa Customs Union
- (c) Explain and apply customs entry and clearance procedures for imports

- (d) Explain and apply the customs entry and clearance procedures for exports
- (e) Explain and use the administration of bonded and customs warehouses
- (f) Differentiate between prohibitions and restrictions
Describe the rules of origin in the East Africa Customs Union
- (g) Apply Customs Valuation methods
- (h) Calculate Duties and Taxes collected through customs
- (i) Explain and apply Customs procedures for prevention of smuggling
- (j) Determine and use offences in customs operations
- (k) Describe and apply recovery measures used to collect unpaid duties

7.8. Other Indirect Taxes

7.8.1. Excise Duties

Learners will be able to:

- (a) Describe the nature and objectives of Excise Taxes,
- (b) Describe and use methods of charging excise taxes
- (c) Explain items liable for excise taxes in Tanzania

7.8.2. Stamp Duties

Learners will be able to:

- (a) Explain the nature and objectives of stamp duties
- (b) Outline the Instruments Chargeable
- (c) Outline and use the stamp duties rates and the basis of computation

7.9 Local government taxes

Learners will be able to:

- (a) Explain and justify the concept of local taxes
- (b) Explain and apply the legal basis/framework for local taxes in Tanzania and describe relevant matters/provisions in the framework
- (c) Identify and analyse sources and types of local government revenue/finances

- (d) Describe and apply relevant matters underlying local government tax administration and management in Tanzania

8.0 LEARNING CONTEXT

- a. Lecturing
- b. Classroom discussions
- c. Tutorials
- d. Group works
- e. Individual assignments
- f. Surfing/browsing

9.0 RECOMMENDED LEARNING MATERIALS

NBAA (2023). Public Finance and Taxation I Study Text. NBAA. Dar-es-Salaam, Tanzania.

10.0 OTHER RECOMMENDED LEARNING MATERIALS

The United Republic of Tanzania, VAT Act 2014, Government Printers, Dar-es-salaam The United Republic of Tanzania (2004), Income Tax Act 2004.

Government Printers, Dar-es-salaam East African Community Customs Management Act. (R.E. 2011), Government Printers, Dar-es-salaam Mpongoliana, R. G. (2005). The Theory and Practice of Taxation in Tanzania, NBAA, DSM.

The Tax Administration Act 2015, Revised Edition. The Income Tax Regulation 2004.

The Value Added Tax Regulation 2015 The Tax Administration Regulation 2018.

Nightingale K. (2002). Taxation Theory and Practice. Pearson Education Limited, Edinburgh.

Musgrave, A. and Musgrave, P. (1989). Public Finance in Theory and Practice. 5th ed, McGraw-Hill, New York.

Stiglitz J. E. (2000). *Economics of the Public Sector*. 3rd ed, W.W. Norton & company Inc., New York.

Whittenburg, A. B. (2004). *Income Tax Fundamentals*. 22nd Edition. South-Western College USA.

Dewulf, Luc et. al (2005). *Customs Modernization Handbook*, World Bank Publication.

Keen, Michael (2003). *Changing Customs: Challenges and Strategic for Reform of Customs Administrations*. International Monetary Fund.

Tilly, Baker (2002). *Dealing with Customs & Excise: Administration, Appeals, Disputes and Investigation*, Tolley Publishing.

Bhatia, H. L. (2006). *Public Finance*. New Delhi, India: Vikas Publishing House PVT.

Rosen, H. S. and Tedd G (2010). *Public Finance (9th ed)*. New York, NY: McGraw-Hill: Higher Education.

Hyman, D. N. (2008). *Public Finance: A Contemporary Application of Theory to Policy*. Mason, Ohio: South-Western: Cengage Learning.

Hillman, A. L. (2009). *Public Finance and Public Policy Responsibilities and Limitations of Government (2nd ed)*. Cambridge, UK: Cambridge University Press.

Income Tax in Tanzania, (2nd Edition 2019) by Deogratus N. Mahangila and Mariam M. Nchimbi.

Value Added Tax in Tanzania, (3rd Edition 2019) by Deogratus N. Mahangila and Mariam M. Nchimbi.

Mpongulia R.G. *The Theory and Practices of Taxation in Tanzania*
The Stamp Duty Act Cap. 189.

The Excise (Management and Tariff) Act; Cap 147 revised edition, 2008, The East African Community Customs Management (Amendment) Act, 2011.

The Tanzania Revenue Authority Act Cap.399.

The Value Added Tax General Regulation, amendments, 2018 EAC customs Management Regulations, 2010, Protocol on the Establishment of the East African Customs Union, The East African Community Customs Union (Rules of Origin) Rules

1.0	SUBJECT CODE ANDNAME:	B05: PERFORMANCEMANAGEMENT
2.0	LEVEL:	INTERMEDIATE LEVEL
3.0	PRE-REQUISITE SUBJECT:	A04: COST ACCOUNTING
4.0	CONTACT HOURS:	120

5.0 SUBJECT DESCRIPTION

The subject equips students with knowledge, understanding and skills to provide information to support management decisions in operational and strategic contexts. Students are expected to be capable of analysing financial and non-financial data and information to support management decisions within organizations making across sectors.

6.0 PRINCIPAL LEARNING OUTCOME

Apply knowledge and skills of financial and non-financial data analysis in providing information to support management decision-making, performance evaluation, and control.

7.0 INDICATIVE CONTENT AND SUPPORTING LEARNING OUTCOMES

7.1 Cost Accounting Techniques

7.1.1 Cost Classification and Estimation

Learners will be able to:

- (a) Classify costs, by nature, function, traceability to products, relevance for decision making, cost behaviour, and accounting treatment.
- (b) Estimate costs by using both linear and non- linear methods, including: High-low method, Regression analysis, accounting analysis, and Learning Curve.

7.1.2 Income effects of alternative cost accumulation systems

Learners will be able to:

- (a) Illustrate the overhead costs allocation and apportionment.
- (b) Describe the nature of marginal costing and absorption costing.

- (c) Distinguish between marginal costing and absorption costing.
- (d) Prepare profits statements based on marginal /variable costing and absorption costing system.
- (e) Explain and use the difference between marginal and absorption costing and reconcile profits calculate based on two costing methods.
- (f) Explain and use the arguments for and against marginal and absorption costing.

7.1.3 Activity Based Costing (ABC) Learners will be able to:

- (a) Describe key stages involved in designing Activity Based Costing (ABC) System.
- (b) Identify appropriate cost drivers under Activity Based Costing.
- (c) Calculate costs per driver using the Activity Based Costing.
- (d) Compare ABC and traditional methods of overhead absorption based on production units, labour hours or machine hours.
- (e) Explain and use the applicability of ABC system in service industry.

7.1.4 Target Costing

Learners will be able to:

- (a) Derive a target cost in manufacturing and service industries.
- (b) Demonstrate the difficulties of using target costing in service industries.
- (c) Propose how a target cost gap might be closed.

7.1.5 Back flush or Delayed Costing

Learners will be able to:

- (a) Describe the concept of back flush costing.
- (b) Explain the features of back flush costing system.
- (c) Discuss circumstances under which the application of back flush costing system is relevant.

- (d) Determine cost of a product or service using backflush costing method.
- (e) Prepare ledger accounts for backflush costing (Trigger points 1, 2 & 3).

7.1.6 Life-Cycle Costing (LCC)

Learners will be able to:

- (a) Identify the costs involved at different stages of the life-cycle.
- (b) Derive a life cycle costs in manufacturing and service industries.
- (c) Identify and describe the benefits of life cycle costing.

7.2 Decisions-Making Techniques

7.2.1 Relevant information for Decision making

Learners will be able to:

- (a) Demonstrate understanding of relevant costs and relevant revenue.
- (b) Differentiate between relevant costs and irrelevant costs.
- (c) Evaluate the importance of qualitative factors in decision making.
- (d) Identify characteristics of the relevant information.
- (e) Identify and calculate relevant costs for a specific situation from given data.

7.2.2 Decisions making under environment of certainty

Learners will be able to:

- (a) Identify limiting factors in a scarce resource situation and select appropriate techniques.
- (b) Determine the optimal production plan where an organization is restricted by a single limiting factor.
- (c) Formulate, solve and interpret multiple scarce resource problem both graphically and using simultaneous equation.
- (d) Interpret the final simplex table.

- (e) Evaluate factors affecting the make vs. buy and outsourcing.
- (f) Calculate and compare make costs versus buy in costs and make appropriate decision.
- (g) Make financial analysis and decide whether to replace an old equipment
- (h) Identify and use costs relevant for shut down and shut down point.
- (i) Apply relevant costing principles in situations involving shut down and extra shifts.
- (j) Calculate incremental costs of processing product further and make appropriate decision to process further or sell at a split off point.
- (k) Prepare an analysis showing whether a special order should be accepted.
- (l) Compute the financial impact of product/ operation shut down, and make appropriate decision.

7.2.3 Cost Volume Profit Analysis

Learners will be able to:

- (a) Explain the nature and application of Cost-Volume-Profit (CVP) analysis.
- (b) Evaluate assumptions of CVP analysis.
- (c) Calculate the contribution margin ratio (P/V) in single and multi-product situations and demonstrate an understanding of its use.
- (d) Compute the Breakeven Point (BEP) for a single product and a multiple product company.
- (e) Calculate the level of sales needed to achieve a desired target profit.
- (f) Compute the margin of safety and explain its significance.
- (g) Prepare and interpret cost-volume-profit (CVP) graphs.
- (h) Compute the degree of operating leverage at a particular level of sales and explain how the degree of

operating leverage can be used to predict changes in net operating income.

- (i) Describe and use the differences between the accountant's and economist's model of CVP analysis.
- (j) Illustrate limitations of CVP analysis for planning and decision making.

7.2.4 Throughput Accounting

Learners will be able to:

- (a) Calculate and interpret a throughput accounting ratio (TPAR).
- (b) Propose how a TPAR could be improved.
- (c) Apply throughput accounting to a multi- product decision- making problem.

7.2.5 Pricing Decision

Learners will be able to:

- (a) demonstrate understanding of pricing policy, pricing objectives, and pricing strategies.
- (b) Evaluate factors that influence pricing of a product or service.
- (c) Calculate the selling price using cost-plus pricing methods.
- (d) Evaluate different cost-plus pricing methods for deriving selling prices.
- (e) Evaluate limitations of various cost-plus pricing methods.
- (f) Illustrate the role that target costing play in the pricing decision.
- (g) Illustrate the price elasticity of demand.
- (h) Formulate and interpret the demand function.
- (i) Evaluate how optimum output and selling price are determined using economic theory.
- (j) Calculate the optimum selling price and output for an organization using calculus.

7.2.6 Decision making under environment of uncertainty and risk

Learners will be able to:

- (a) Evaluate risk with probability distributions.
- (b) Evaluate the impact of uncertainty and risk on decision models.
- (c) Apply techniques of maximax, maximin, and minimax regret to decision-making problems including the production of profit tables.
- (d) Analyse risk and uncertainty by calculating expected values and standard deviations together with probability tables.
- (e) Calculate expected values and ascertain the value of information.
- (f) Prepare decision trees and use it to solve a multi-stage decision problem.

7.3 Budgetary Planning and Control

7.3.1 Budgeting and budgetary Process

Learners will be able to:

- (a) Demonstrate understanding of the concept of budget and budgetary process.
- (b) Explain objectives of, and use of budget in an organization.
- (c) Discuss the budgetary process in Public Sector Organization (PSO), Ministries, Departments and Government Agencies (MDA).
- (d) Illustrate how corporate and divisional objectives may differ and can be reconciled.
- (e) Resolve conflicting objectives and explain its implications.

7.3.2 Types of Budgets

Learners will be able to:

- (a) Identify the usefulness and problems with different types (functional, master, flexible, zero-base, activity-based and incremental).

- (b) Prepare functional budgets and master budgets.
- (c) Evaluate the difficulties of changing the type of budget used.

7.3.3 Budgetary Control System

Learners will be able to:

- (a) Demonstrate understanding of the concept of responsibility accounting, its objectives and pre-requisites for its implementation.
- (b) Distinguish between controllable and uncontrollable costs.
- (c) Evaluate the nature and objectives of budgetary control system.
- (d) Illustrate the functions of budgetary control system.
- (e) Illustrate how budgetary control systems fit within the performance hierarchy.
- (f) Select, explain and use appropriate budgetary systems for an organization, including top- down, bottom-up, rolling, zero- base, activity- base, incremental and feed-forward control.
- (g) Evaluate the information used in budget systems and the sources of the information needed.
- (h) Illustrate how budget systems can deal with uncertainty environment.

7.3.4 Behavioural Aspects of budgeting

Learners will be able to:

- (a) Identify and use the factors which influence behaviour.
- (b) Evaluate the issues surrounding setting the difficulty level for a budget.
- (c) Evaluate the benefits and difficulties of participation of employees in the negotiation of budgets.

7.4 Standard Costing and Variance Analysis

7.4.1 Introduction to standard costing, basic variances and operating statements

Learners will be able to:

- (a) Evaluate different types of standards (ideal, basic, attainable, current)
- (b) Prepare Standard cost card.
- (c) Calculate and identify causes of basic variances including:
 - Materials total, price and usage.
 - Labour total, rate and efficiency.
 - Variable overhead total, expenditure and efficiency.
 - Fixed overhead total, expenditure and, where appropriate, volume, capacity and efficiency.
 - Sales price and volume.
- (d) Produce full operating statements in both marginal cost and full absorption costing environment, reconciling actual profit to budgeted profit.
- (e) Calculate the effect of idle time and waste on variances including where idle time has been budgeted for.
- (f) Calculate, using a simple situation, the ABC-based variances.
- (g) Illustrate different methods available for deciding whether or not to investigate a variance causes.

7.4.2 Material mix and yield variances

Learners will be able to:

- (a) Calculate, identify the cause of, and explain material mix and yield variances.
- (b) Explain wider issues involved in changing material mix such as cost, quality and performance measurement issues.
- (c) Explain the relationship between material price variance, material mix and yield variances.

7.4.3. Sales mix and Quantity variances

Learners will be able to:

- (a) Calculate, identify the cause of, and explain sales mix and quantity variances.
- (b) Identify and explain the relationship between sales volume variances, sales mix variance and quantity variances.

7.4.4 Planning and operational variances

Learners will be able to:

- (a) Calculate a revised budget.
- (b) Explain factors that could and could not lead to revise an original budget.
- (c) Calculate planning and operational variances for sales, materials, labour and overheads.
- (d) Evaluate the dysfunctional nature of some variances in the modern environment of Just in Time (JIT) and Total Quality Management (TQM).
- (e) Assess the effect that variances have on staff motivation and action.

7.5 Performance Measurement and Control

7.5.1 The scope of performance measurement

Learners will be able to:

- (a) Demonstrate understanding of the concept of performance measurement in business and Not -for Profit Organizations.
- (b) Discuss the role of, and use strategic plan, operational plan and budget in performance measurement.
- (c) Evaluate external factors or considerations that influence performance of an organization.
- (d) Explain the causes and problems created by short-termism and financial manipulation of results by the organization and suggest ways to encourage long-term view of financial performance.

7.5.2 Performance Measurement and Analysis in Business Sector, Service Sector and Not for Profit Institutions

Learners will be able to:

- (a) Describe, and calculate suitable financial performance indicators and interpret the results.
- (b) Describe the suitable non-financial performance indicators.
- (c) Apply Balanced Scorecard and Building Block Model to evaluate performance of an organization and interpret the results.
- (d) Apply Value for Money (VfM) technique for measurement of performance in public sector organizations.
- (e) Select and explain stakeholder-based measures of performance that may be used to evaluate social or environmental performance of a business.

7.5.3 Divisional Performance Measurement and Transfer Pricing

Learners will be able to:

- (a) Describe and illustrate the basis for setting a transfer price, including; variable cost, full cost, market-based approach, negotiated approach and the principles behind allowing for intermediate markets.
- (b) Illustrate how transfer prices can distort the performance assessment of divisions and the decisions made.
- (c) Discuss benefits and shortcoming of, and use the Return on Investment (ROI), Residual Income (RI), Economic Value Added (EVA) and Shareholder Value Added (SVA) measures of performance.
- (d) Calculate and interpret Return on Investment (ROI), Residual Income (RI), Economic Value Added (EVA) and Shareholder Value Added (SVA).
- (e) Describe the nature of, and calculate the productivity measures.

7.5.4 Performance Management Systems

Learners will be able to:

- (a) Discuss the role of, and use Information Communication Technology (ICT) and Digitization in performance management.
- (b) Evaluate and recommend on suitable ICT systems which can facilitate effective performance management in organizations.
- (c) Evaluate and advise management on suitable approaches that may be used to manage people issues when implementing a performance management system.

8.0 LEARNING CONTEXT:

- a. Interactive Lectures.
- b. Classroom Discussions.
- c. Case studies.
- d. Individual assignments and Group works.
- e. Going through online resources.

9.0 RECOMMENDED LEARNING MATERIALS

NBAA, (2023). Performance Management Study text. NBAA. Dar-es-Salaam, Tanzania.

10.0 OTHER RECOMMENDED LEARNING MATERIALS

Bhimani, A., Horngren, C. T., Datar, S. M., & Foster, G. (2007). Management and Cost Accounting, 4th Edition.

Drury, C. (2018). Cost and Management and Cost Accounting, London: International Thomson Business Press.

Horngren, C., (2012). Cost Accounting: A Managerial Emphasis. Englewood Cliffs: Prentice-Hall.

Kaplan R. S and A. A. Norton, (2013). Advanced Management Accounting, London: Prentice-Hall.

Saxena, V. K. and Saxena, C. D. (2004). Advanced Cost and Management Accounting, 17th ed.

T. Lucey. (2003). Costing. London: D.P. Publication.

1.0 SUBJECT CODE AND NAME: B06: MANAGEMENT, GOVERNANCE AND ETHICS

2.0 LEVEL: INTERMEDIATE

3.0 PRE-REQUISITE SUBJECT: A02 BUSINESS AND MANAGEMENT

4.0 CONTACT HOURS: 120

5.0 SUBJECT DESCRIPTION

The subject provides understanding of the purpose and objectives of businesses, governance and ethical issues of business. The subject also equips learners with key approaches of handling management functions, governance and ethical situations in organisational setting.

6.0 PRINCIPAL LEARNING OUTCOME

Apply principles of strategic management, good governance and business ethics for administrative efficiency and effective delivery of operations (functions) of an organisation.

7.0 INDICATIVE CONTENT AND SUPPORTING LEARNING OUTCOMES

7.1. Strategic Management weighting 40%

7.1.1. Strategic Management Essentials

Learners will be able to:

- (a) Describe what is strategy and strategic management, distinguishing them from operational management.
- (b) Explain how strategic priorities vary by level: corporate, business and operational.
- (c) Discuss the three-strategy formulation, implementation, and evaluation activities.
- (d) Define and give examples of key terms in strategic management.
- (e) Describe the benefits of engaging in strategic management.

7.1.2. Strategic Analysis

Learners will be able to:

- (a) Analyse the broad macro-environment of organisations in terms of political, economic, social, technological, and environmental (green) and legal factors (PESTEL) and Identify key drivers in this macro-environment and use these key drivers to construct alternative scenarios with regard to environmental change.
- (b) Explain the use five forces analysis in defining the attractiveness of industries and sectors for investment and to identify their potential for change.
- (c) Identify strategic groups, market segments and critical success factors, and use them in order to recognize strategic gaps and opportunities in the market.
- (d) Distinguish elements of strategic capability in organisations: resources, competences, core competences and dynamic capabilities.
- (e) Describe the role of continual improvement in cost efficiency as a strategic capability.
- (f) Analyse how strategic capabilities might provide sustainable competitive advantage on the basis of their value, rarity, inimitability and non- substitutability.
- (g) Analyse strategic capability by means of value chain analysis, activity mapping, and benchmarking and SWOT analysis.
- (h) Describe how managers can develop strategic capabilities of organisations.
- (i) Draft an overall analysis drawing conclusions, giving advice based on given financial and non- financial data and information from a variety of sources in a given scenario.

7.1.3. Strategic choice

Learners will be able to:

- (a) Identify strategic business units (SBUs) in organisations.
- (b) Explain bases of achieving competitive advantage in terms of 'routes' on the strategy clock and assess the extent to which these are likely to provide sustainable competitive advantage.
- (c) Identify strategies suited to hypercompetitive conditions.
- (d) Explain the relationship between competition and collaboration.
- (e) Identify alternative directions for strategy, including market penetration or consolidation, product development, market development and diversification.
- (f) Explain how diversification is an effective strategy for growth.
- (g) Distinguish between different diversification strategies (related and unrelated) and identify conditions under which they work best.
- (h) Analyse the ways in which a corporate parent can add or destroy value for its portfolio of business units.
- (i) Analyse portfolios of business units and judge which to invest in and which to divest.
- (j) Assess the internationalization potential of different markets, sensitive to variations over time.
- (k) Identify sources of competitive advantage in international strategy, both through global sourcing and exploitation of local factors embodied in Porter's Diamond.
- (l) Distinguish the four main types of international strategy.
- (m) Rank markets for entry or expansion, considering attractiveness, cultural and other forms of distance and competitor retaliation threats.
- (n) Assess the relative merits of different market entry modes, including joint ventures, licensing and foreign direct investment.

7.1.4. Strategic implementation

Learners will be able to:

- (a) Describe the important issues to be considered in the strategy implementation.
- (b) Analyse the alternative appropriate functional strategies that may be appropriate to deliver a chosen strategy set out in a given scenario.
- (c) Analyse the alternative appropriate organisational structures and related activities that may be appropriate to deliver a chosen strategy set out in a given scenario.
- (d) Analyse a chosen business strategy in a given scenario so that an evaluation may be undertaken leading to the drafting of a simple business plan.

7.1.5. Strategic Evaluation

Learners will be able to:

- (a) Explain and discuss the strategy-evaluation process, criteria, and methods used.
- (b) Describe and discuss the three activities that comprise strategy evaluation.
- (c) Describe and develop a Balanced Scorecard.

7.2. Governance, Risk Management and Ethics weighting 40%

7.2.1. Governance

Learners will be able to:

- (a) Explain the concept of corporate governance considering the narrow and the broad perspectives.
- (b) Analyse the evolution of corporate governance.
- (c) Identify and, based on a given scenario, show the link between legal framework and the actual governance practices or lack of it.
- (d) Assess the context of corporate governance in Tanzania.
- (e) Illustrate the appointment of board of directors.
- (f) Identify duties and attributes of audit committee members.
- (g) Identify and, based on a given scenario, assess the role and responsibilities of an effective board.
- (h) Identify and, based on a given scenario, state the differences between the boards of directors of private companies and those of public sector companies or state-owned enterprises.

- (i) Assess the effect of politics and corruption in various forms on the governance of companies both in the private sector and the public sector.
- (j) Identify and, based on a given scenario, assess the issues of accountability of management to a board, private and institutional shareholders.
- (k) Assess the issues of accountability of boards of directors to minority and large shareholders.
- (l) Identify and, based on a given scenario, evaluate the issues of transparency for an entity.
- (m) Explain the importance of probity as a principle of governance assessing issues and their implications in a given scenario.
- (n) Assess the extent to which a board is focusing on sustainable long-term success in a given scenario.
- (o) Explain the concept and meaning of Corporate Social Responsibility (CSR).
- (p) Assess managerial skills in corporate governance.

7.2.2. Risk Management

Learners will be able to:

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

7.2.3. Ethics

Learners will be able to:

- (a) Explain and illustrate the meaning of business ethics using information in a given scenario.
- (b) Explain the differences and similarities between ethics, morality and laws.
- (c) Identify and explain the role of codes of ethics in private and public companies or state-owned companies.
- (d) Identify and explain the ethical dilemmas faced by accountants in the private and public sectors.
- (e) Identify and explain in the context of a given scenario how business ethics; Virtue ethics and moral duties may be linked
- (f) Identify and explain Ethical theories; Normative Theories; Teleological Theories; Deontological Theories.
- (g) Identify and assess the link between professional ethics and corporate social responsibility.
- (h) Identify and explain how business governance is associated with Compliance and whistle blowing; Global Competition.
- (i) Identify and explain Ethical Decision Making and judgment.
- (j) Identify and explain Environmental ethics and gender ethical issues.
- (k) Identify and explain ethical issues in functional areas such as finance, Human Resources, Marketing and Information technology.
- (l) Identify and explain the challenges of managing ethical issues in a Multinational Corporations.

7.3. Soft Skills for Managers weighting 20%

Learners will be able to:

- (a) Differentiate between technical skills and soft skills.
- (b) Explain the need and importance of soft skills in (business) management.
- (c) Describe four (4) categories of soft skills as per International Accounting Education Standards Board (IAESB), i.e., intellectual competencies, interpersonal intelligence and communication competencies, Self-Management and organisational intelligence.
- (d) Explain techniques for achieving personal image management and its role in effective first impression.
- (e) Differentiate between “Emotional Intelligence (EQ) and Intelligent Quotient (IQ)”.
- (f) Explain the main components of emotional intelligence and qualities of emotionally intelligent people
- (g) Discuss relevance of emotional intelligence in business in business management.
- (h) Explain the role of tact and diplomacy in effective communication.
- (i) Explain application of relevant principles and techniques for managing stress.
- (j) Describe techniques for effective time management.

8.0 LEARNING CONTEXT

- a. Lectures.
- b. Classroom discussions.
- c. Group works.
- d. Individual assignments.
- e. Tutorials.
- f. Role play.

9.0 RECOMMENDED LEARNING MATERIALS

NBAA (2023). B6 Management, Governance and Ethics Study Text. NBAA. Dar-es-Salaam, Tanzania.

10.0 OTHER RECOMMENDED LEARNING MATERIALS

Barney, J. B., & Hesterly, W. (2015). Strategic management and competitive advantage concepts and cases. Pearson.

David, F. R., & David, F. R. (2017). Strategic management: A competitive advantage approach. Pearson.

Johnson, G., Scholes, K., & Whittington, R. (2008). Exploring corporate strategy: text & cases. Pearson Education.

Laura, P. H., Joseph, D., and Chris, M. (2014). Decision making for personal integrity & Social Responsibility 3rd ed. New York.

McGrwa-Hill Simpson, J., & Taylor, J. R. (2013). Corporate Governance Ethics and CSR. Kogan Page Publishers Velasquez.

M. G. (2014). Business ethics: Concepts and cases. Pearson Education Limited.

FINAL LEVEL
(Professional Analysis, Application and Evaluation Level)

Code	Subject Name
<i>C01</i>	<i>Corporate Reporting</i>
<i>C02</i>	<i>Auditing and Assurance Services</i>
<i>C03</i>	<i>International Finance</i>
<i>C04</i>	<i>Advanced Taxation</i>

1.0	SUBJECT CODE AND NAME:	C01: CORPORATE REPORTING
2.0	LEVEL:	FINAL LEVEL
3.0	PRE-REQUISITE SUBJECT:	A03; B02
4.0	CONTACT HOURS:	120

5.0 SUBJECT DESCRIPTION

The subject extends the learners' knowledge by enhancing their expertise in reporting various corporate matters and evaluating the implications of the alternative corporate reports and disclosures.

6.0 PRINCIPAL LEARNING OUTCOME

Apply Financial Reporting Standards and Corporate law in preparing, analysing, and evaluating corporate reports by entities, both in the private and public sectors.

7.0 INDICATIVE CONTENT AND SUPPORTING LEARNING OUTCOMES

7.1 Regulatory Framework, Conceptual Framework and Ethical Issues In Corporate Reporting

7.1.1 Regulatory framework and the International Accounting Standards Board (IASB)

Learners will be able to:

- (a) Explain the importance of Regulatory Framework for financial reporting.
- (b) Describe the regulatory framework of accounting in Tanzania.
- (c) Explain the purpose of an accounting standard and list the main steps in the standard setting process adopted by the IASB
- (d) Describe the method by which accounting standards are developed.
- (e) Discuss the structure of the IFRSF/IASB
- (f) Describe the role of IASB, IPSASB and NBAA in regulating the accounting profession.
- (g) Discuss the benefits and barriers of global harmonisation of financial reporting standards

7.2 The Conceptual Framework and Accounting Bases

Learners will be able to:

- 7.2.1 Explain the meaning , purpose, status and contents of the IASB conceptual framework
- 7.2.2 Describe the argument for and against the conceptual framework
- 7.2.3 Explain the need for recording transactions based on the commercial substance rather than their legal form.
- 7.2.4 Describe the bases of accounting in presentation of financial statements.

7.3 Professional Ethics and Duties of an Accountant

Learners will be able to:

- 7.3.1 Identify and evaluate the ethical and professional considerations when undertaking work, giving advice on financial accounting and reporting (including common dilemmas that may be faced based on the type of business) and reporting scenarios.
- 7.3.2 Discuss the creative accounting, its objectives, ethical implications and the extent to which this can be practiced in line with IFRSs.
- 7.3.3 Design alternative reporting when departure from international standard is inevitable and communicate the departure in the notes.

7.4 Reporting the financial performance of entities

7.4.1 Non-current Assets (including Property, Plant and Equipment, Borrowing Cost, Impairment, Government Grants and Government Assistance, Non-Current Asset classified as held for sale, Investment property and intangible Assets Learners will be able to:

- (a) Describe the accounting treatment for Property, Plant and Equipment
- (b) Describe the rule for Borrowing Cost
- (c) Evaluate the accounting treatment for Government Grants and Government Assistance
- (d) Explaining Non-Current Asset classified as held for sale with its classification and presentation

- (e) Explain the concept of Impairment and its application on asset
- (f) Explain the accounting for Investment property
- (g) Explain the requirements of IFRSs to intangible assets

7.4.2 Financial Instruments

Learners will be able to:-

- (a) Define the key terms and definitions in the context of financial instruments.
- (b) Classify financial instruments in accordance with the guidance given under international accounting standards.
- (c) Describe the accounting treatment for debt instruments and equity instruments.
- (d) Explain the initial and subsequent measurement of financial instruments in accordance with international accounting standards.
- (e) Present the accounting of fixed interest rate and compound financial instrument.
- (f) Describe and account for de-recognition of financial instruments and impairment of financial assets
- (g) Describe and apply the accounting treatment for hedge accounting as per IFRS 9
- (h) Present and disclose of financial instruments in accordance with international accounting standards.

7.4.3 Provisions, contingent assets and liabilities

- (a) Discuss when provisions may and may not be made, and how they should be accounted for.
- (b) Describe the measurement of provisions in accordance with international accounting standards.
- (c) Describe:
 - (i) Legal obligations
 - (ii) Constructive obligations
 - (iii) Restructuring provisions

- (d) Define contingent assets and liabilities – give examples and describe their accounting treatment.
- (e) Identify and account for:
 - (i) Onerous contracts
 - (ii) Environmental and similar provisions

7.4.4 Leases

Learners will be able to:

- (a) Explain the principles for recognition and measurement of right of use asset and lease liability in the record of lessee
- (b) Describe the recognition exemptions under the current leasing standard
- (c) Explain the principles for classification, recognition and measurement of operating leases and finance leases in the financial statements of lessors
- (d) Explain the sale and leaseback transactions and their accounting treatment.

7.4.5 Employee Benefits

Learners will be able to:

- (a) Demonstrate understanding of and account for short-term employee benefits.
- (b) Explain the key features of defined contribution and defined benefit plans and distinguish between them.
- (c) Describe and apply the accounting treatment of defined benefit plans.
- (d) Apply the disclosure requirements under IAS 19 on Employee Benefits.

7.4.6 Income Taxes

Learners will be able to:

- (a) Discuss and apply the recognition and measurement of deferred tax liabilities and deferred tax assets.
- (b) Determine the recognition of tax expense or income and its inclusion in the financial statements

7.4.7 Share-Based Payments

Learners will be able to:

- (a) Demonstrate understanding of the key terms under IFRS 2 on 'Share-based Payment'
- (b) Apply the principles of IFRS 2 to measure and recognize cash and equity settled share-based payment transactions.

7.4.8 Reporting Requirements of Small and Medium Sized Entities (SMEs)

Learners will be able to:

- (a) Demonstrate understanding of SMEs and the simplification introduced by IASB
- (b) Examine the differences between application of IFRSs and IFRS for SMEs in preparing and presenting financial statements.

7.4.9 Exploration and Evaluation Expenditures

Learners will be able to:

- (a) Evaluate the need and scope of IFRS 6 on exploration and evaluation expenditures
- (b) Discuss and apply the treatment of costs that might be included in the initial measurement of exploration and evaluation assets.
- (c) Demonstrate an understanding of how exploration and evaluation assets should be classified and reclassified and tested for impairment.

7.4.10 The effects of changes in foreign exchange rate and accounting for foreign entities

Learners will be able to:

- (a) Determine the functional currency of an entity in accordance with International Financial Reporting
- (b) Discuss and apply the principles of relevant accounting standards to record foreign currency transactions and translate monetary/non-monetary items at the reporting date for individual entities.
- (c) Distinguish between reporting and functional currencies.

7.4.11 Provisions, contingent liabilities and contingent assets **Learners will be able to:**

- (a) State when provisions may and may not be made, and apply the accounting treatment under situations involving:
 - i. Onerous contracts
 - ii. Environmental and similar provisions

7.5 Presentation Of Financial Statements and Additional Disclosures

7.5.1 Preparation of Financial Statements of Entities

Learners will be able to:

- (a) Prepare and present financial statements and extracts from the financial statements of a single entity undertaking a variety of transactions on the basis of chosen accounting policies and in accordance with IFRSs and local regulations.
- (b) Distinguish between and account for adjusting and non-adjusting events after the reporting date.
- (c) Account for changes in accounting policy, errors and changes in accounting estimates.
- (d) Prepare appropriate interim reports from a given scenario.
- (e) Discuss and apply the principles of IFRS 15 to record revenue.
- (f) Explain the reporting requirements for a first time adopter under IFRSs.

7.6 Disclosures

7.6.1 Earnings per share

Learners will be able to:

- (a) Evaluate why EPS is a better indicator than profit trends.
- (b) Calculate and explain the implications of basic EPS (Bonus issue, stock split, right issue)
- (c) Calculate the diluted EPS in the following situations:
 - i. where convertible debt is in issue
 - ii. where share options and warrants exist.

- (d) Discuss and prepare EPS disclosure notes in line with the requirements of IFRSs

7.7 Operating segments

Learners will be able to:

- (a) Define an operating segment and understand the problems faced by companies in reporting segment information
- (b) Identify and apply the knowledge of IFRS 8: *Operating Segments* to report segments.

7.8 Related Party Disclosures

Learners will be able to:

- (a) Apply the principles of IAS 24 Related Party Disclosures, to identify related party relationships
- (b) Describe the disclosures pertaining to related party transactions.

7.9 Enhancing financial reporting

Learners will be able to:

- (a) Describe the general requirements and the content of report of those charged with governance (TFRS 1)
- (b) Discuss sustainability reporting and the International Sustainability Standards Board (ISSB) frameworks for sustainability reporting.
- (c) Explain the purpose and describe the content of a management commentary;
- (d) Discuss the principles and content elements of the International Integrated reporting
- (e) Describe other financial information that might appear in annual reports. (Value added statements ,Economic Value Added etc.)

7.10 Financial statements of groups of entities

7.10.1 Group financial statements.

Learners will be able to:

- (a) Evaluate and apply the principles to determine control in accordance with IFRS on Consolidated Financial Statements.
- (b) Apply the recognition and measurement criteria for identifiable acquired assets and liabilities.
- (c) Account for goodwill, gain on bargain purchase and non-controlling interest in accordance with International Financial Reporting Standards.
- (d) Prepare and present financial statements and extracts from the financial statements of a group that presents consolidated financial statements taking into account a variety of transactions on the basis of chosen accounting policies and in accordance with IFRSs and local regulations.
- (e) Draft and advice upon suitable accounting policies based on a business scenario under local and international requirements for public and private sector entities including single and consolidated financial statements.
- (f) Identify from a given scenario a subsidiary, associate or joint venture according to IFRSs.
- (g) Evaluate and apply the knowledge of group accounting in situations of complex group structures.
- (h) Prepare the consolidated financial statements for foreign subsidiaries.
- (i) Apply the principles of group accounting in preparation of group statements of cash flows.
- (j) Prepare consolidated financial statements where there is step acquisitions of subsidiaries.
- (k) Apply the requirements of International Financial Reporting Standards with regards to the treatment of a disposal of a subsidiary.
- (l) Apply the requirements of International Financial Reporting Standards with regards to the treatment of a subsidiary which has been acquired exclusively with a view to subsequent disposal.

7.10.2 Reporting for Specialized Entities and specialized

Transactions

Learners will be able to:

- (a) Discuss and apply the knowledge with regards to specialized, not-for-profit, and public sector entities.
- (b) Discuss and apply the requirements of IAS 41 on Agriculture.
- (c) Identify the reasons for an internal reorganization and explain the accounting treatment for internal reconstructions

7.10.3 Financial and Business Analysis

Learners will be able to:

- (a) Identify and calculate suitable performance, position and prospect measures using key indicators, financial statement ratios, stock market ratios, comparisons, trend analyses and other representations of relationships that support a meaningful financial and business analysis of a private or public sector entity.
- (b) Evaluate, draw conclusions and report on the analysis undertaken from a business perspective.
- (c) Identify and assess the choice of accounting treatments that may be adopted based on a given scenario explaining how they may affect users' understanding of a business.
- (d) Explain and justify changes in accounting policies and the treatment of the same as per the IFRSs, distinguishing them from changes in estimate and correction of prior period errors.
- (e) Identify and assess chosen policies and treatments for a given entity or entities comparing the fairness of presentation and compliance with international and local practice for a private or public sector entity.
- (f) Identify, evaluate and comment upon limitations of analysis.

8.0 LEARNING CONTEXT

- a. Lectures.
- b. Classroom discussions.
- c. Group works.
- d. Individual assignments.
- e. Tutorials.
- f. Role plays.

9.0 RECOMMENDED LEARNING MATERIALS

NBAA, (2023). Corporate Reporting Study Text. NBAA. Dar esSalaam. Tanzania

10.0 OTHER RECOMMENDED LEARNING MATERIALS

ACCA approved study texts for Corporate Reporting

Alexander D, Britton A, and Jorissen, A. (2017). International Financial Reporting and Analysis, 7th ed. Thomson Learning
Elliot, B. (2017). Financial Accounting and Reporting, 18th ed. FT Prentice Hall

International Accounting Standard Board, (2014), International Financial Reporting Standards and International Accounting Standards (IAS), IASB

Lewis, R; Pendrill, D. (2009). Advanced Financial Accounting, 8th ed. FT Prentice Hall
Melville, A. (2017). International Financial Reporting: A Practical Guide, 6th ed. Harlow, England: Pearson
Stolowy, H., Lebas, M. J. (2010). Financial Accounting and Reporting, a global perspective. 3rd edition. Thomson Learning.

1.0 SUBJECT CODE AND NAME: C02: AUDITING AND ASSURANCE SERVICES

2.0 LEVEL: FINAL LEVEL

3.0 PRE-REQUISITE SUBJECT: B03

4.0 CONTACT HOURS: 120

5.0 SUBJECT DESCRIPTION

The subject extends the learners' knowledge by enhancing their expertise in evaluating audit evidence, reporting in complex audit situations as well as managing and executing assurance engagements.

6.0 PRINCIPAL LEARNING OUTCOME

Apply Auditing and assurance Standards and relevant laws in undertaking and managing auditing and assurance engagements in complex auditing and reporting situations.

7.0 INDICATIVE CONTENTS AND SUPPORTING LEARNING OUTCOMES

7.1. Legal, Regulatory and Ethical Issues

Learners should be able to:

- (a) Advise on technical, professional and ethical issues that may arise during assurance engagements and communicating with any party to the engagement including measures and safeguards to deal with the ethical threats in relation to the engagement.
- (b) Recommend the circumstances that it may be appropriate to refer a matter to a more senior colleague or for third party advice or consultation
- (c) Describe the nature and purpose of and apply laws, regulations standards and codes in the context of assurance engagements
- (d) Evaluate the standard setting process and communicate the interaction between national laws and regulations and the requirements of an assurance engagement
- (e) Evaluate and communicate the different national and international approaches of dealing with audit issues

- including approaches such as the US Sarbanes-Oxley and related requirements for audit
- (f) Evaluate the extent of legal liability including criminal and civil law liability on professional negligence issues and how they can be mitigated
 - (g) Describe auditor's responsibility in relation to anti-money laundering regulations.

7.2. Accepting Engagements and Managing Assignments
Learners will be able to:

- (a) Evaluate issues during the process of obtaining audit work (legal, professional and ethical issues)
- (b) Evaluate the potential issues that determine the nature, scope and extent of an assurance or audit engagement
- (c) Design appropriate procedures and personnel for management of an assurance or audit engagement
- (d) Design appropriate quality control measures that may be used by a firm and during the course of an assurance or audit engagement
- (e) Evaluate the extent to which assurance and audit functions within an entity can be used or relied upon
- (f) Design appropriate monitoring and review procedures to effectively manage an audit or assurance engagement.

7.3. Planning and Undertaking Audit Work
Learners will be able to:

- (a) Evaluate areas of a business that may be important to understand in developing an effective audit strategy or audit plan based on a given business scenario.
- (b) Evaluate the techniques used to obtain an effective understanding of the client business and control environment.
- (c) Determine the situations when third party expertise may be required
- (d) Evaluate the elements of audit risk in relation to audit planning procedures.

- (e) Evaluate the implications of internal controls and its effects on audit assignments
- (f) Evaluate the risks arising from error, fraud or other irregularities in a given business scenario
- (g) Evaluate the risks arising from business and financial issues in a given business scenario
- (h) Evaluate measures of materiality and use of judgments in carrying out an audit or assurance engagement
- (i) Evaluate analytical procedures that may be used to plan an audit or assurance engagement
- (j) Develop a proposed audit plan based on a business scenario for an audit or assurance engagement.
- (k) Evaluate appropriate procedures for assurance engagements for corporate social responsibility and sustainability reports
- (l) Develop and coordinate audit plans for group audits, joint audits, including specialized entities.

7.4. Assessment of Risks, Internal Controls, and Internal Financial Controls

Learners will be able to:

- (a) Assess reporting and compliance risks in an assurance engagement.
- (b) Describe and apply the procedures for assessing Internal and financial control.
- (c) Draft communications to those charged with governance on the findings on risk assessment on internal and financial controls.
- (d) Evaluate the implementation of previously suggested control measures and their effectiveness.

7.5. Evaluation of Accounting Treatments and other Audit Considerations

Learners will be able to:

- (a) Evaluate and draw conclusions on the appropriateness of accounting treatments in a given scenario.

- (b) Propose alternative accounting treatment in accordance with financial reporting standards where the applied treatment is inappropriate.

7.6. Drawing Conclusions and Reporting

Learners will be able to:

- (a) Evaluate issues identified during an assignment that should be communicated to by management, directors and those charged with governance including action taken when such issues cannot be addressed
- (b) Evaluate implications of subsequent events in the auditors' report.
- (c) Draw conclusions and advise on audit engagement including reporting findings, giving an external audit opinion or dealing with other issues that may require to be included in an audit report
- (d) Draft extracts of a suitable audit report or management report based on a given scenario and entity and in accordance with local law and international standards of accounting and audit
- (e) Evaluate the circumstances under which reference to an expert on auditor's report may be considered necessary and its implications.
- (f) Evaluate circumstances when it may be appropriate to withdraw from, withdrawn opinion on or take other such appropriate action on an audit
- (g) Evaluate the issues that may be relevant and the nature of report that may be given relating to risk management, internal controls and governance.

7.7 Assurance engagements

Learners will be able to:

- (a) Explain the elements of an assurance engagement including roles, duties and rights of the parties involved in the assurance engagement
- (b) Distinguish assurance engagement from audit
- (c) Describe the basic steps of an assurance process
 - Appointment and acceptance of engagement
 - Planning

- Execution
 - Reporting
- (d) Describe the levels of assurance engagements
- (e) Draft and interpret an assurance report
- Acceptance of assurance engagements
 - Contents of assurance engagement reports other than audit

8.0 LEARNING CONTEXT:

- a. Lecturing
- b. Classroom discussions
- c. Group works
- d. Individual assignments
- e. Surfing/browsing (Web based materials)

9.0 RECOMMENDED LEARNING MATERIALS

NBAA, (2023). Auditing and Assurance Services Study Text. NBAA. Dar es Salaam. Tanzania

10.0 OTHER RECOMMENDED LEARNING MATERIALS

Sylvia, T., and King'ori, J. (2013). Auditing Theory and Practices.

Mhilu, F. (2012). Audit Assurance and Related Services. The Public Audit Act 2008 IFAC Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements Arens A. A. et al (Latest edition). Auditing and Assurance Services: An Integrated Approach, Auckland: Emerald Group Publishing Ltd.

ACCA Study Texts on Auditing and Assurance Services.

1.0	SUBJECT CODE AND NAME:	C03: INTERNATIONAL FINANCE
2.0	LEVEL:	PROFESSIONAL LEVEL
3.0	PRE-REQUISITE SUBJECT:	B01
4.0	CONTACT HOURS:	120

5.0 SUBJECT DESCRIPTION

The subject provides knowledge and skills in multinational corporate finance theories, concepts, and analytical frameworks, and their uses in global business environment and digital technology, evaluating international projects, businesses and financial options, and in managing risk exposures of multinational firms.

6.0 PRINCIPAL LEARNING OUTCOME:

Apply a comprehensive range of financial theories, concepts, and analytical frameworks to effectively assess the global business environment and evaluate international investment opportunities, as well as utilize business valuation tools, financial engineering products, and financial technology to make informed decisions and optimize financial performance in global business contexts.

7.0 INDICATIVE CONTENT AND SUPPORTING LEARNING OUTCOMES

7.1 Global Business Environment

7.1.1 International Business Environment and Foreign Direct Investment (FDI).

Learners will be able to:

- (a) Assess the multinational financial system including; key players, institutions, and markets involved, its impact on economic growth and stability, as well as its potential risks and challenges.
- (b) Evaluate the impact of external factors and financial market issues on business and financial strategy.
- (c) Evaluate global business environment and financial management decisions related to multinational companies by analysing:

- (i) Shareholders and corporate wealth maximisation concepts for multinational firms.
- (ii) Factors for the growth of global business and multinational corporations;
- (iii) Risks and opportunities associated with global business.
- (d) Assess the Foreign Direct Investment (FDI) by focusing on:
 - (i) Modes of involvement: The different ways in which foreign investors can enter into a market, including joint ventures, acquisitions, and greenfield investments.
 - (ii) Motives behind FDI: An analysis of the strategic and economic reasons that drive foreign investors to engage in FDI.
 - (iii) Alternative global business entry strategies: An overview of other methods that firms can use to enter foreign markets, such as exporting and licensing.
 - (iv) Legal and institutional frameworks: Understanding the legal and institutional framework that governs FDI, with a specific focus on Tanzania.
 - (iv) Advantages and drawbacks of FDI: A discussion of the benefits and challenges that FDI can bring to the host country, including employment creation, technology transfer, and potential negative impacts on domestic firms and industries.
 - (v) Abusive transfer pricing: Explaining the role of FDI in abusive transfer pricing practices and their impact on host countries.

7.1.2 Foreign Exchange Market

Learners will be able to:

- (a) Assess the nature, system of operation, characteristics and functions of foreign exchange markets.

- (b) Evaluate roles and activities of different players in a foreign exchange market and apply relevant information to determine different exchange rate quotations.
- (c) Apply relevant data and information to determine opportunities for bilateral and triangular arbitrage profit in the foreign exchange transactions.
- (d) Evaluate exchange Rate Regimes and analyse Exchange rate policy and practices in Tanzania.

7.1.3 International Parity Relationship and Exchange Rate Forecasting

Learners will be able to:

- (a) Analyse International Parity Relationship by examining the relationship between exchange rate and other economic variables through; Supply and Demand theory, Purchasing Power Parity (PPP), Fisher Effect (FE), International Fisher Effect (IFE), Interest Rate Parity (IRP) and Forward Rate as Unbiased predictor of Future Spot Rate.
- (b) Apply Purchasing Power Parity and Interest Rate Parity to determine commodity and interest rate arbitrage opportunities.
- (c) Evaluate the need for exchange rate forecasting and apply different techniques to forecast exchange rates.
- (d) Evaluate the implication of balance of payments on exchange rate determination.

7.2 International Investment Analysis

7.2.1 International Investment Appraisal

Learners will be able to:

- (a) Evaluate potential international investment decisions and assessing their financial and strategic consequences internationally by analysing alternative international investment appraisal techniques.

- (b) Evaluate impact on financing of international investment decisions and adjusted present values by analysing:
 - o The impact of alternative project financing sources on international project economic viability.
 - o The impact of political and foreign exchange risk on international investment decisions.

7.2.2 International Diversification and the International Capital Asset Pricing Model

Learners will be able to:

- (a) Assess and measure risk and return associated with international portfolio investments.
- (b) Assess and measure returns associated with investing in securities issued in different markets and denominated in various currencies.
- (c) Evaluate the International Capital Assets Pricing Model (ICAPM) and its application in evaluating internationally allocated investments.
- (d) Describe the relevance of capital market integration and segmentation on international.
- (e) Evaluate barriers to international diversification.

7.3 Business Combination and Valuation

7.3.1 Business Valuation

Learners will be able to:

- (a) Evaluate the value of businesses and shareholder value giving advice based on business scenarios using:
 - (i) Dividend yield based valuation techniques
 - (ii) Price earnings ratio-based valuation techniques
 - (iii) Discounted cash flow-based valuation techniques including Short- and long-term growth rates and terminal values
 - (iv) Asset based and net asset-based measures of value

- (v) Shareholder value analysis
- (vi) Options based techniques
- (b) Evaluate some performance measures techniques that may affect value of the business:
 - (i) Economic profit methods/Economic value added
 - (ii) Value based management
 - (iii) Cash flow return on investment
 - (iv) Total shareholder return
 - (v) Market value added

7.3.2 Bond analysis

Learners will be able to:

- (a) Evaluate prices of bonds using net present values
- (b) Develop an understanding of yields, yields to maturity, duration and price volatility, term interest rates, corporate borrowing and default risk
- (c) Perform bond refund analysis.

7.3.3 Mergers and Acquisition

Learners will be able to:

- (a) Assess and plan mergers and acquisitions as an alternative growth strategy by analysing:
 - (i) Alternative types of mergers and acquisitions.
 - (ii) Alternative mergers and growth strategies available to a firm.
 - (iii) Merits and demerits of mergers and acquisitions as expansion strategy.
 - (iv) Qualities of an appropriate acquisition strategy.
 - (v) Factors that determine the success of a merger or acquisition.
- (b) Assess alternative valuation techniques for mergers and acquisitions by analysing:
 - (i) Corporate and competitive nature of an acquisition proposal.

- (ii) Existence of synergies through mergers.
 - (iii) The problem of overvaluation of the target firm.
 - (iv) The impact of acquisition or mergers upon the risk profile of the acquirer.
 - (v) Growth levels of the target firm's earnings.
 - (vi) Valuation of Type I, II, and III acquisitions.
 - (vii) Valuation of intangible assets.
- (c) Assess alternative financing techniques for mergers and acquisitions by analysing:
- Alternative approaches to financing mergers and acquisitions.
 - An offer for acquisition.
 - Effect of an offer on financial position and performance.

7.4 Financial engineering and planning

7.4.1 Futures, options, swaps and forward rate agreement

Learners will be able to:

- (a) Identify and assess the various features of interest rate futures, interest rate options, interest rate forward contracts and interest rate swaps.
- (b) Determine and evaluate the prices of interest rate futures, interest rate options, interest rate forward contracts and interest rate swaps.
- (c) Advise hedging strategies using interest rate futures, interest rate options, interest rate forward contracts and interest rate swaps.

7.4.2 Foreign exchange planning

Learners will be able to:

- (a) Assess financial and planning options for a business.
- (b) Evaluate financial and planning options for a business using Leading and lagging payment techniques, matching receipts and payments, multilateral netting and the invoicing currency method.
- (c) Evaluate financial and planning options for a business

- giving advice based on business scenarios using forward contracts.
- (d) Assess financial and planning options for a business giving advice based on business scenarios using money market cover.
 - (e) Evaluate financial and planning options for a business giving advice based on business scenarios using currency options.
 - (f) Evaluate financial and planning options for a business giving advice based on business scenarios using Currency swaps.
 - (g) Evaluate financial and planning options for a business giving advice based on business scenarios using Currency Future

7.4.3 Option values

Learners will be able to:

- (a) Describe time and intrinsic value of an option contract.
- (b) Identify the boundary conditions of options and explain their implications for the determination of option values.
- (c) Apply the Black-Scholes option pricing, Binomial option pricing and real option models to determine the value of an option contract.
- (d) Discuss the factors that influence the price/ value of option contracts.
- (e) Describe the relationship between call and put prices (call-put parity) and its implications.
- (f) Develop hedging strategies based on options.

7.5 Managing risk

Learners will be able to:

- (a) Describe the financial risks of a business based on a given scenario, data and information.
- (b) Identify and mitigate three types of currency risks namely transaction, economic and translation risks of a

business based on a given scenario, data and information.

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

7.6 Technology and Digital-enabled Finance

7.6.1 Introduction to Fintech

Learners will be able to:

- (a) Describe the meaning and scope of, and use fintech, including the different categories and applications of fintech.
- (b) Analyse the impact of fintech on the financial services industry, including its potential to disrupt traditional financial institutions and business models.
- (c) Describe the key technologies driving fintech innovation, such as blockchain, artificial intelligence, and cloud computing, and their applications in financial services.
- (d) Explain the importance of, and use data privacy and security in fintech, and the challenges and best practices for ensuring the protection of sensitive information.

7.6.2 Block chain Technology

Learners will be able to:

- (a) Describe and use the fundamentals of blockchain technology, including its history, and principles.
- (b) Describe and evaluate the various types of blockchains, including public, private, and consortium, and their use cases.
- (c) Describe and use the key concepts of cryptocurrency, including blockchain-based digital assets, public and private keys, wallets, and mining.
- (d) Assess the potential impact of blockchain technology and cryptocurrency on financial markets, including payment systems, securities trading, and asset management.
- (e) Describe the efforts and progress made towards developing the regulatory landscape of cryptocurrencies in Tanzania.
- (f) Analyse the risks and challenges of blockchain adoption in finance, such as scalability, interoperability, and security risks, and identify potential solutions.
- (g) Assess the impact of blockchain on traditional financial intermediaries, such as banks, insurance companies, and asset managers, and evaluate the potential for disruption.

7.6.3 Crowd funding

Learners will be able to:

- (a) Evaluate the different types of crowd funding models, including donation-based, reward-based, equity-based, and debt-based, and assess their suitability for different types of businesses and investors.
- (b) Evaluate the benefits and drawbacks of crowd funding as a financing option for different types of businesses and projects.

- (c) Explain and use the various crowd funding platforms and their business models, including rewards-based, equity-based, and debt-based crowd funding.
- (d) Describe the importance of, and use marketing and social media in a successful crowd funding campaign.

7.6.4 Introduction to big data analysis in corporate finance

Learners will be able to:

- (a) Describe the concept of, and use big data including its characteristics, sources, and applications in corporate finance.
- (b) Analyse financial statements using big data analysis techniques to identify trends, patterns, and relationships among various financial metrics.
- (c) Identify opportunities and risks associated with the use of financial big data and develop strategies to use opportunities and mitigate risks.
- (d) Develop strategies to manage financial-big data risks and capitalize on opportunities.

8.0 LEARNING CONTEXT

- a. Lecturing, Presentations and Guest speaking.
- b. Class room discussions, role playing and brain storming.
- c. Group works and Individual assignments.
- d. Going through various online resources.
- e. Practical problem solving.

9.0 RECOMMENDED LEARNING MATERIALS

NBAA (2023) Business and Corporate Finance. NBAA, Dar es Salaam, Tanzania

10.0 OTHER RECOMMENDED LEARNING MATERIALS

ACCA Paper P4: Advanced Financial Management: StudyTexts.

Arnold, G. (2008). Corporate financial management. 4th edition. Harlow: FT Prentice Hall.

Dresner, S. (2014). Crowdfunding: A Guide to Raising Capital on the Internet. Wiley.

Eiteman, D. K. et al. (2010). Multinational Business Finance, 12th Edition, Pearson Education, Inc.

Gupta, P & Tham M. (2018). Fintech: The New DNA of Financial Services. Walter de Gruyter.

Kolb, R.W. and Overdahl, J. A. (2007). Futures, options and swaps. 5th edition. Oxford: Blackwell Publishing.

Lawton, K., & Marom, D. (2012). The Crowd funding Revolution: How to Raise Venture Capital Using Social Media. McGraw-Hill Education.

Madura, J and Fox R. (2007). International Financial Management, Patrick Bond.

Shapiro A. C. (2006). Multinational Financial Management, 8th Edition, John Wiley & Sons Inc.

Srivastava, R. and Misra, A. (2010). Financial Management. 6th impression. New Delhi: Oxford University Press.

Watson, D. and Head, A. (2010). Corporate Finance: Principles and practice. 5th edition. Harlow: FT Prentice Hall – Pearson Education Ltd.

Tapscott, D., & Tapscott, A. (2016). Blockchain Revolution: How the Technology Behind Bitcoin Is Changing Money, Business, and the World. New York: Penguin Random House.

1.0	SUBJECT CODE AND NAME:	C04: ADVANCED TAXATION
2.0	LEVEL:	FINAL LEVEL
3.0	PRE-REQUISITE SUBJECT:	B04
4.0	CONTACT HOURS:	120

5.0 SUBJECT DESCRIPTION

Advanced Taxation builds on the knowledge gained from B4 and further develops aspects of tax related competencies which allow students to ensure tax compliance and identify opportunities for tax planning, where appropriate. Both Tanzania and international dimensions of taxation will be considered with skills being developed from analysis and evaluation of complex scenarios.

6.0 PRINCIPAL LEARNING OUTCOME

Apply knowledge of Tax laws in managing the tax affairs and administering compliance with tax laws for both local entities and multinational companies.

7.0 INDICATIVE CONTENT AND SUPPORTING LEARNING OUTCOMES

7.1. INCOME TAXATION RULES APPLICABLE TO PARTICULAR TYPES OF PERSONS/BUSINESS

7.1.1. Corporate Business Income

Learners will be able to:

- (a) Explain the general and specific rules of deductions.
- (b) Describe the realization of business assets and liabilities
- (c) Explain the taxation treatment of changes in ownership of an entity.
- (d) Calculate depreciation allowances according to the 3rd schedule.
- (e) Explain types of loss reliefs and their treatments.
- (f) State the income tax rates applicable to corporates and calculate corporate income tax payable using the appropriate corporate income tax rates

7.1.2. Taxation of Banking Business

Learners will be able to:

- (a) Explain the meaning of banking business.
- (b) Discuss the taxation principles of banking business

7.1.3. Taxation of Trusts

Learners will be able to:

- (a) Explain the meaning of trust and unit trusts.
- (b) Discuss the taxation principles of trust
- (c) Compute tax liability in the hands of beneficiaries

7.1.4. Taxation of partnership

Learners will be able to:

- (a) Explain the meaning of Partnership
- (b) Explain taxation principles of partnership business
- (c) Calculate the taxable profits of a partners
- (d) Explain the similarities and differences between the calculation of taxable income for corporations and partnerships.

7.1.5. Corporate Investment Income

Learners will be able to:

- (a) Explain the meaning Investment and its differences from business
- (b) Describe inclusions/component of investment income
- (c) Describe exclusions/income not Included in Investment income
- (d) Explain allowable and non-allowable deductions of investment income
- (e) Establish evaluate chargeable Investment Income

7.1.6. Tax Accounting for Long Term Contracts

Learners will be able to:

- (a) Describes the accounting for revenue and expenses under long-term contracts
- (b) Explain the rules for accounting long term contracts transactions for income tax purposes

- (c) Explain the treatment of unrelieved loss under long-term contract

7.2. TAXATION OF SPECIALIZED INDUSTRIES

7.2.1. Taxation of Insurance Business

Learners will be able to:

- (a) Describe special rules related with computation of taxable of a person running General Insurance Business
- (b) Describes special rules related with computation of taxable of a person running Life Insurance Business

7.2.2. Taxation of Retirement Funds

Learners will be able to:

- (a) Explain the meaning and types of retirement funds
- (b) Describe general principles on taxability of retirement funds
- (c) Describe taxation rules of approved retirement funds in the year they cease to be approved
- (d) Explain taxation rules relating to transfer of funds among retirement benefits

7.2.3. Taxation of Charitable Businesses

Learners will be able to:

- (a) Explain the meaning of charitable or religious organization
- (b) Describe taxation principles of charitable or religious organization
- (c) Explain taxation rules when charitable Organisation or Religious Organization Ceases to be Charitable

7.2.4. Taxation of Clubs and Trade Associations

Learners will be able to:

- (a) Explain the meaning of a club and trade association.
- (b) Describes taxation principles of clubs and trade associations.

7.2.5. Taxation of mining and petroleum operations

Learners will be able to:

- (a) Describe fiscal regimes and instruments for mining and petroleum in Tanzania
- (b) Describe special topics in mining and petroleum taxation (Ring-fencing, decommissioning, rehabilitation, bonus payment and stabilisation)
- (c) Describe taxation rules of petroleum operations in Tanzania.
- (d) Describe taxation rules for midstream and downstream activities:
- (e) Describe taxation rules of mining operations
- (f) Describe taxation rules for processing, smelting and refining business

7.3. International Taxation

7.3.1 General principles of international taxation

Learners will be able to:

- (a) Explain the meaning and nature of international taxation and objectives of international tax rules including the principle of capital import neutrality and capital export neutrality
- (b) Discuss major issues in international taxation
- (c) Describe the right of a jurisdiction to impose tax
- (d) Explain residence-based taxation and describe alternative methods for determining residence status of individuals and corporations
- (e) Explain source-based taxation and describe typical rules for determining source of income

7.3.2 International double taxation

Learners will be able to:

- (a) Explain the meaning and effects of international double taxation of income and forms of double taxation of income (juridical vs economic)

- (b) Explain causes of juridical double taxation of income, (Conflicts of residence and source, Conflicting definitions of connecting factors and other causes of international double taxation
- (c) Analyse methods of eliminating Double Taxation (deduction method, exemption method, credit method etc) including simple computations under the different methods of double taxation relief
- (d) Explain the difference between unilateral and bilateral double taxation relief and the interaction between the two methods

7.3.3 Double Taxation Agreements

Learners will be able to:

- (a) Explain the meaning and nature of Double Taxation Treaties.
- (b) Describe the functions of Double Taxation Treaties.
- (c) Analyse the general approach to interpretation of a DTA
- (d) Explain the Stages in the life of a double tax treaty and procedures for incorporation of the treaty into domestic law
- (e) Explain the relationship between tax treaties to domestic law and discuss the concept of treaty overrides
- (f) Explain a limitations on the use of double tax treaties by tax authorities
- (g) Explain the concept of “treaty shopping” and methods by which it may be countered by a taxing jurisdiction.
- (h) Explain main Model Tax Conventions on Double Tax Agreement and the main differences between the OECD and UN model DTA
- (i) Explain Standard Chapters And Articles Of A Model DTA
- (j) Describe the specific contents of the DTAs entered into by the United Republic of Tanzania.

7.3.4 Taxation of Permanent Establishments (PEs)

Learners will be able to:

- (a) Discuss the meaning and types of Permanent Establishments
- (b) Discuss the rationale for permanent establishment rules in income taxation
- (c) Discuss the proposed changes contained within Action 7 of the OECD/G20 BEPS 2015 Final Reports (Preventing the Artificial Avoidance of Permanent Establishment Status).
- (d) Describe criteria for permanent establishments under digital economy
- (e) Discuss the methods of attribution of profits to PEs
- (f) Describe Taxation of Permanent Establishment' under the Tanzanian Income Tax Cap 332

7.3.5 Taxation of Controlled Foreign Corporations and Trusts

Learners will be able to:

- (a) Discuss the meaning and rationale for controlled foreign trusts and corporations
- (b) Describe the principles of taxation of controlled foreign trusts and corporations and its members under the Income Tax Act, Cap 332
- (c) Describe building blocks identified in the OECD final report on Action Point 3 of BEPS as the design principles for CFC rules.

7.3.6 International Tax Planning and Avoidance

Learners will be able to:

- (a) Explain international tax planning and the need for international tax planning
- (b) Describe tax planning and avoidance techniques employed by multinational firms
- (c) Describe and apply general anti-avoidance provisions and specific anti-avoidance provisions (anti-thin capitalization, anti- treaty shopping, CFCs rules, transfer pricing etc.)
- (d) Describe judicial anti-avoidance doctrines (Business purpose rule, substance over form principle, sham transaction, step transaction doctrine etc)
- (e) Describe the scope and details of the OECD BEPS Project

7.3.7 Transfer Pricing

Learners will be able to:

- (a) Discuss the meaning of, and apply transfer pricing
- (b) Discuss the rationale for, and evaluate introduction of transfer pricing regulations in Tanzania
- (c) Describe the provisions of the Tanzania Transfer Pricing Regulations
- (d) Describe recommended transfer pricing methods (comparable uncontrolled price; resale price; cost plus; profit split; transactional net margin; other methods of transfer pricing.)
- (e) Assess the basic comparability factors in the process of TP benchmarking
- (f) illustrate Functional analysis
- (g) Explain the provisions relating to Advance Pricing Agreement
- (h) Explain the basic documentation requirements for transfer pricing benchmarking
- (i) Describe a specific transactions (Intra-group services, financing, Intangible property, commodity transactions etc)

7.3.8 Thin Capitalization

Learners will be able to:

- (a) Explain the meaning of the term "thin capitalisation"
- (b) Describes the reasons why entities may choose to be thinly capitalised.
- (c) Explain various approaches to prevent thin capitalisation
- (d) Describes thin capitalisation rules in Tanzania
- (e) Describe the final report on Action Point 4 of the BEPS Project

7.3.9 Tax havens

Learners will be able to:

- (a) Explain the meaning and features and uses of taxhavens
- (b) Explain main types of tax havens
- (c) Describe forms of tax avoidance in tax havens
- (d) Describe incentives for a country to become a tax haven

- (e) Explain and evaluate the cost of tax havens to LDCs
- (f) Describe and assess the OECD Committee on Fiscal Affairs(CFA) harmful tax competition report

7.4 Value Added Tax

7.4.1 Partial Input Tax Credit

Learners will be able to:

- (a) Describe partial input tax credit
- (b) Explain annual input tax adjustments
- (c) Describe other VAT adjustments

7.4.2 VAT on Specialized Transactions and Entities

Learners will be able to:

- (a) Describe VAT implication on sale of an economic activity as a going concern
- (b) Describe Value Added Tax on Insurance businesses

7.4.3 VAT Refunds

Learners will be able to:

- (a) Describe the circumstances for, apply and evaluate VAT refunds
- (b) Explain the requirements for effecting VAT refunds
- (c) Explain procedures for VAT refunds
- (d) Describe VAT refunds procedures to diplomats and international bodies

7.4.4 Administrative Provisions for VAT

Learners will be able to:

- (a) Describe returns and notices under VAT
- (b) Describe documents, Records and accounts to be kept for VAT purposes
- (c) Describe the consequences of not meeting the filing and payment
- (d) State the VAT offences from non-compliance.
- (e) Describe the electronic fiscal devices system, its benefits and the possible revenue risks involved

7.5 Tax Administration

7.5.1 Self-Assessment for Entities

Learners will be able to:

- (a) Explain the Self-Assessment System and the process for making self-assessment
- (b) Explain Tax payable on the assessment and the due date for payment
- (c) Explain the procedures for payment of Income tax by quarterly instalments
- (d) Calculate Interest for underestimating Tax payable and failure to pay tax and penalties for failure to file tax returns.

7.5.2 Settlement of Tax Disputes

Learners will be able to:

- (a) Explain causes of tax disputes and measures to avoid tax disputes
- (b) Explain Handling of Tax objections in Tanzania
- (c) Explain use Tax Revenue Appeals system in Tanzania

7.5.3 Tax audit and investigation

Learners will be able to:

- (a) Explain the nature and meaning of tax audit, Rules of tax audit, purpose of tax audit and tax audit techniques.
- (b) Describe the nature and meaning of tax investigation, rules of tax investigation, reasons for tax investigation, types of tax investigation and approaches for tax investigation.
- (c) Explain the roles of the taxpayers in tax audit and investigation.
- (d) Describe application of tax audit in multinational companies

7.6 Taxation of the digital economy

Learners will be able to:

- (a) Explain the concept of digital economy.
- (b) Discuss the existing legal/administrative framework for taxing digital transactions in Tanzania

- (c) Explain the key challenges of taxing digital goods and services in Tanzania.
- (d) Discuss the Action 1, of the OECD BEPS 2015 Final Reports (Addressing the Tax Challenges of the Digital Economy).

7.7 Tax incentives and competition for investment

Learners will be able to:

- (a) Explain the meaning, nature and types of tax incentives
- (b) Identify tax incentives available under various laws in Tanzania
- (c) Explain how tax incentives influence investment location decision
- (d) Describe argument for and against tax incentives
- (e) Evaluate the effectiveness of various tax policies and incentives in attracting investment
- (f) Explain the role and influence of non-tax factors in attracting investment
- (g) Explain the meaning, rationale and practice of tax competition
- (h) Explain the difference between 'tax competition' and 'harmful tax competition'
- (i) Discuss the positive and negative effects of tax competition on the economy

7.3 Tax reforms and emerging issues

Learners will be able to:

- (a) Discuss tax reforms made within the last 12 months
- (b) Describe tax implications of emerging issues both locally and internationally.

8.0 LEARNING CONTEXT

- a. Lecturing, Presentations and Guest speaking.
- b. Class room discussions, role playing and brain storming.
- c. Group works and Individual assignments.
- d. Surfing/browsing various online journal databases.
- e. Practical problem solving.

9.0 RECOMMENDED LEARNING MATERIALS

NBAA (2023). Public Finance and Taxation II Study Text. NBAA.Dar-es-Salaam, Tanzania.

10.0 OTHER RECOMMENDED LEARNING MATERIALS

Musgrave, A. and Musgrave, P. (1989). Public Finance in Theory and Practice. 5th ed, McGraw-Hill, New York.

Stiglitz J. E. (2000). Economics of the Public Sector. 3rd ed. W.W. Norton & company Inc., New York.

Nightingale, K. (2002). Taxation Theory and Practice, Pearson Education Limited, Edinburgh.

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The Tax Administration Act 2015, Revised Edition.

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The Tax Administration (Transfer pricing) Regulations, 2018
Doernberg, R. L. (2012) International Taxation in a Nutshell, New York, NY: West Academic Publishing.

Rohatgi, R. (2007), Basic International Taxation (Vol.II 2nded), New Delhi India: Taxmann Allied Services (P) Ltd, Holmes, K. (2011), International Tax Policy and Double Tax.

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OECD, Committee on Fiscal Affairs. Transfer Pricing guidelines for Multinational Enterprises and Tax Administrations.

Loping United Nations. UN Practical Manual on Transfer Pricing for Developing Countries (2017).

United Nations. UN Model Double Taxation Convention between Developed and Developing Countries 2017.

OECD, Committee on Fiscal Affairs. OECD/G20 Base Erosion and Profit Shifting Project 2015 Final Reports Permanent Establishment in International Taxation by Amar Mehta.

Mpongulia R.G. The Theory and Practices of Taxation in Tanzania Kibuta Ongwamuhana, 2015 Tax disputes resolution, Mkuki na Nyota, Dar-es-Salaam.

The Tax Revenue Appeals Act Cap. 408.

The Oil and Gas Revenues Management Act, 2015 Income Tax in Tanzania, (2nd Edition 2019) by Deogratus N. Mahangila and Mariam M. Nchimbi.

Value Added Tax in Tanzania, (3rd Edition 2019) by Deogratus N. Mahangila and Mariam M. Nchimbi.

Mpongulia R.G .The Theory and Practices of Taxation in Tanzania.