

(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 three subjects A5 Business Law, B4 Public Finance & Taxation I and C4 Public Finance & Taxation II.

The Accounting Technician examination scheme consists of two levels covering the following subjects:

ACCOUNTING TECHNICIAN LEVEL I

Code Subject Name

T01	<i>Bookkeeping and Accounts</i>
T02	<i>Elements of Business Mathematics and Statistics</i>
T03	<i>Introduction to Information and Communication Technology</i>
T04	<i>Business Communication Skills</i>

ACCOUNTING TECHNICIAN LEVEL II

T05	<i>Principles of Accounting and Auditing</i>
T06	<i>Principles of Cost Accounting and Procurement</i>
T07	<i>Elements of Commercial Knowledge and Taxation</i>
T08	<i>Accounting for Public Sector and Cooperatives</i>

The Professional Examination Scheme consists of three levels as follows

Code Subject Name

FOUNDATION Level (Knowledge and Skills Level)

A1	<i>Quantitative Techniques</i>
A2	<i>Business and Management</i>
A3	<i>Financial Accounting</i>
A4	<i>Cost Accounting</i>
A5	<i>Business Law</i>
A6	<i>Business Economics</i>

INTERMEDIATE LEVEL (Skills and Analysis Level)

B1	<i>Financial Management</i>
B2	<i>Financial Reporting</i>
B3	<i>Auditing Principles and Practice</i>
B4	<i>Public Finance and Taxation</i>
B5	<i>Performance Management</i>
B6	<i>Management, Governance and Ethics</i>

FINAL LEVEL

(Professional Analysis, Application and Evaluation Level)

C1	<i>Corporate Reporting</i>
C2	<i>Auditing and Assurance Services</i>
C3	<i>Business and Corporate Finance</i>
C4	<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 (NACTE) 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)

Mode of payment	For May Examinations	For November Examinations
Payment without payment	2nd January -15th February	1st July -15th August
Payment with 50% penalty	16th February – 28th February	16th August-30th August
Payment with 100% penalty	1st March -15th March	1st September -15th September

Application for candidacy registration and examination entry must be on the prescribed forms (CR Form and Examination Entry Form) available on the Board’s website (www.nbaa.go.tz)

- (c) The duly completed application form attached with all prescribed attachments, listed under para (d) below, should be submitted to the Executive Director’s office so as to reach the

office on or before the last date January or July as the case may be. An application for candidacy registration received after the closing date shall be liable for penalty fee as indicated item 6.1 (b).

- (d) The duly filled Candidacy Registration should be submitted with the following attachments:
- (i) Three recently taken identical passport size photographs **taken on white background** (showing a full face with two ears of the applicant) and signed by the applicant at the back.
 - (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.
 - (iv) A duly filled Identity Request Form, the form which comes along with the candidacy registration form when downloading the form.
- (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.

- (d) 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 on the prescribed form which is downloadable from the Board's website. 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 Candidacy Registration form.
- (b) Applications for May examinations are acceptable up to the 15th of February, and applications for November examinations are acceptable up to the 15th of August.
- (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 possess the qualifications prescribed as the minimum necessary to sit that particular level of examination.
 - (ii) The application is made on the prescribed form, the form which is downloadable from the Board's website.

The duly filled form is returned 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 examination entry 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 examination entry form, an examination centre preferred to take the examinations. The Centres currently approved by the Board are indicated at the back of an entry 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 center 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 to the candidate at least two weeks before the date of the examination. Candidates residing in Dar es Salaam shall be informed when to come and collect their letters of admission in person at the Board's offices.
- (g) An examination candidate will be allowed to enter in the examination room on production of an examination admission letter and NBAA Identity Card.

6.3 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 three 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 three 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 three 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.

6.4 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 February – for the May examinations and 15th August 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 February for May examinations and 15th August 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.

6.5 REQUESTS FOR EXEMPTION

- (a) Applicants seeking exemptions in parts of the Board's examinations shall indicate such requests in the Candidacy Registration and Exemption form by filling an appropriate section of the form.
- (b) Applications for exemptions should to be finalized before one sits for the subject(s) in an examination level in which exemption is sought and the application for exemption should be lodged at least **two months before the closing date of the examination session** to allow sufficient time for the application to be verified and assessed.
- (c) 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.
- (d) An application for exemption shall not be considered if an applicant has already attempted any subject in that level.
- (e) 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.

- (f) 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 (NACTE) as the case may be.
- (g) The application for exemption shall have to be finalized before attempting an examination level for which exemption is sought.
- (h) 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.
- (i) 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.
- (j) 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 candidacy registration and/or examination entry 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 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 Entry 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 colored 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. The candidate shall be required to submit two colored identical pass port size photographs and must fill an ID request form.

(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 request 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 lodgment 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 lodgment of appeal form. Similarly, a candidate who lodges an appeal after the stipulated period shall be charged late lodgment 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 NBAA Account as shall be determined by the Board and indicated in the relevant form(s).

The original-pay-in slip shall have to be submitted to the Board for receipting. The slip has to be attached together with the relevant form(s) supporting that payment.

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 areas 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 help 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
- d. A bookshop which sells most of the required reading materials

9.0 DECLARATION OF RESULTS

Results of the examination shall be communicated to every candidate as soon as possible, once the results have been approved and declared by the Governing Board.

Candidates shall be informed of their examination results through individual letters dispatched to each candidate but the 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 be 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 module in a stage, shall be issued with a statement of certificate for that module.

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 Diploma in 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 had been 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 from recognized institutions that had been accredited by the Board shall start at ATEC II examinations.

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 qualifications 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 Accounting Technician Examinations

13.1.1. Accounting Technician Level I

Candidates who have successfully completed ATEC I of the existing syllabus shall be required to sit for T03: Introduction to Information and Communication Technology in ATEC I. This is a new subject introduced in this level.

13.1.2 Accounting Technician Level II

Candidates who have successfully completed ATEC II shall proceed to Foundation Level examinations.

13.1.3 Referred Candidates in ATEC I or ATEC II

Candidates who have been referred in one or two papers in the Accounting Technician Level I or Level II 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 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 subjects 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

13.3 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.

The table below shows the papers to be attempted by the candidates shifting from the old scheme to the New Scheme.

Papers in the Current Examination Scheme		Papers in the New Examination Scheme		Subjects to be Attempted to a candidate who has completed a level/module
CODE	SUBJECT NAME	CODE	SUBJECT NAME	
T01	Book-keeping & Accounts	T01	Book-keeping & Accounts	A Candidate who has completed ATEC I shall be required to sit for ATEC I – Paper T03 and all Four papers of ATEC II.
T02	Elements of Business Mathematics and statistics	T02	Elements of Business Mathematics and statistics	
T03	Introduction to Commercial Knowledge, Management Practices and Ethics	T03 NEW	Introduction to Information and Communication Technology	
T04	Business Communication Skills	T04	Business Communication Skills	

A referred candidate shall be required to sit for the corresponding paper(s) **PLUS** paper **T03** as detailed below

Accounting Technician Level II

T05	Principles of Accounting and Auditing	T05	Principles of Accounting and Auditing	A Candidate who has completed ATEC II shall be required to sit for Foundation Level examinations. A referred candidate shall be required to sit for the corresponding paper(s) in ATEC II while referred candidates for T08 shall be required to sit for paper T03 in ATEC I as detailed below
T06	Elements of Costing, Procurement and Supplies Management	T06	Principles of Cost Accounting and Procurement	
T07	Principles of Economics and Taxation	T07 NEW	Elements of Commercial Knowledge and Taxation	
T08	Introduction to Information and Communication Technology	--	---	
T09	Accounting for Public Sector and Cooperatives	T08	Accounting for Public Sector and Cooperatives	

Foundation Stage Module A

P01	Financial Accounting	A3	Financial Accounting	A Candidate who has successfully completed Module A shall be required to sit for Papers A1, A2, and A4 in the Foundation Level.
P02	Economics	A6	Business Economics	
P03	Business Law	A5	Business Law	
P04	Business Maths and Statistics	--	--	

--	---	A1	Quantitative Techniques	A referred candidate in Foundation Stage Module shall be required to sit for corresponding paper(s) as detailed below
--	--	A2	Business and Management	
--	--	A4	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	B3	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	B6	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	B2	Financial Reporting	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. A referred candidate shall be required to sit for the corresponding papers as shown below.
P.10	Research, Consultancy and Reporting	--	--	
P.11	Quantitative Techniques for Decision Making	A1	Quantitative Techniques (Foundation Level)	

Intermediate Stage Module D

P12	Management Principles and Practices	A2	Business and Management (in Foundation Level)	<p>A candidate, who has successfully completed Module D, shall be required to sit for Papers B4 & B5.</p> <p>A candidate who has successfully completed Modules C & D shall be required to sit for papers B4 and B5 in the Intermediate Level</p> <p>Referred candidates shall be required to sit for corresponding papers in Foundation and Intermediate levels as detailed below:</p>
P13	Corporate Finance	B1	Financial Management	
P14	Entrepreneurship	--	--	
--	---	B4	Public Finance & Taxation	
--	---	B5	Performance Management	

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	C1	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	C3	Business and Corporate Finance	
P17	Public Finance and Taxation	C4	Advanced Taxation	

Final Stage Module F

P18	Auditing and Assurance Services	C2	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	B5	Performance Management – in the Intermediate Level	
P20	Contemporary Issues in Accounting	C1	Corporate Reporting	

REFERRED CANDIDATES:

Referred paper(s) under the current examination scheme	Paper(s) to be Attempted under the New scheme	Papers to be Exempted
T01	T01 & T03	T02 and T04
T02	T02 & T03	T01 and T04
T03	T03	T01,T02 and T04
T04	T04 and T03	T01 and T02
T01 & T02	T01, T02 & T03	T04
T01 & T03	T01 & T03	T02 and T04
T01 & T04	T01, T04 & T03	T02
T02 & T03	T02 & T03	T01, and T04
T02 & T04	T02, T04 and T03	T01
T03 & T04	T03 & T04	T01 & T02

Referrals for ATEC II

T05	T05	T06, T07 & T08
T06	T06	T05,T07 & T08
T07	T07	T05, T06 & T08
T08	T03 in ATEC I	T05, T06 & T07
T09	T08	T05, T06 & T07
T05 & T06	T05 & T06	T07 & T08
T05 & T07	T05 & T07	T06, & T08
T05 & T08	T05 & T03 in ATEC I	T06, T07 & T08
T05 & T09	T05 & T08	T06, T07
T06 & T07	T06 & T07	T05 & T08
T06 & T08	T06 & T03 in ATEC I	T05, T07
T06 & T09	T06 & T08	T05 & T07
T07 & T08	T07 & T03 in ATEC I	T05, T06 & T08
T07 & T09	T07 & T08	T05 & T06
T08 & T09	T08 & T03 in ATEC I	T05, T06 & T07

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	A TEC 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	A TEC 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	A TEC 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	A TEC 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	A TEC 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	A TEC 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	A TEC 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.	A TEC 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.	A TEC 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.	A TEC 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.	A TEC 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.	A TEC 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.	A TEC 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.	A TEC 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.	A TEC 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.	A TEC 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	A TEC 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.	A TEC 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.	A TEC 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.	A TEC 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.	A TEC 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.	A TEC 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	A TEC 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.	A TEC 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.	A TEC 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	A TEC 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	A TEC 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.	A TEC 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.	A TEC 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.	A TEC 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.	A TEC 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.	A TEC 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.	A TEC 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	A TEC 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	A TEC 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.	A TEC 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.	A TEC 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.	A TEC 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.	A TEC 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 careful 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

14.8 Transitional Arrangements:

Considering that the revised syllabus will be tested for the first time in November 2014, i.e. within the next four examination sessions, the Governing Board at its 155th meeting held 28th June 2012 when approving the examination results of the May 2012 examination session, decided to waive the referral rule starting with the November 2012 examinations in order to allow

all those candidates who are referred or re-referred sufficient time to clear their referred paper before the revised syllabus comes into effect.

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 syllabi to 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 2014 NBAA Examination Scheme is required be reviewed after every five years. The phased out Examination Scheme was launched in November 2014. In this case a new Examination Scheme has to be in place in November 2019. 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, Economics subject has been added 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 Business Economics.

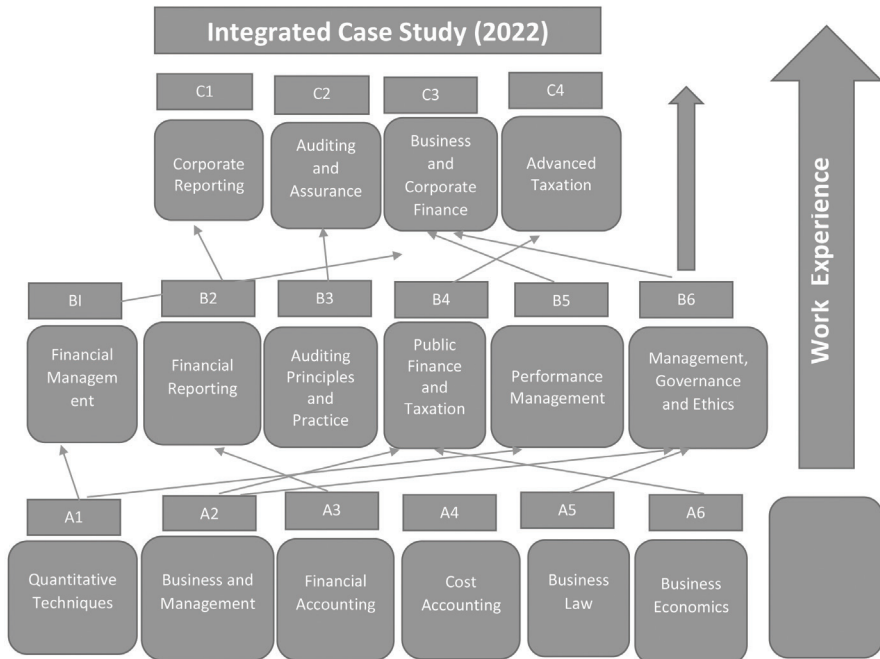
Therefore, the number of subjects has been maintained as in the previous professional syllabus except at Foundation Level i.e. six subjects in the Foundation Level instead of five subjects, six subjects

in the Intermediate Level and four subjects in the Final Level. 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 some of the subjects where five subjects have been renamed: A3 Accounting renamed to be Financial Accounting, A4 Business Information renamed to read A4 Cost Accounting, B2 Financial Accounting renamed to Financial Reporting, B4 Public Finance and Taxation I renamed to Public Finance & Taxation and C4 Public Finance & Taxation II renamed Advanced Taxation respectively.

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

Examination Structure



FOUNDATION Level
(Knowledge and Skills Level)

<i>Code</i>	<i>Subject Name</i>
<i>A1</i>	<i>Quantitative Techniques</i>
<i>A2</i>	<i>Business and Management</i>
<i>A3</i>	<i>Financial Accounting</i>
<i>A4</i>	<i>Cost Accounting</i>
<i>A5</i>	<i>Business Law</i>
<i>A6</i>	<i>Business Economics</i>

1.0	SUBJECT CODE AND NAME:	A1: 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

- 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

- 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 sensitive 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

- 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

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

7.5 Network Analysis and Project Scheduling

- (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

- (a) Identify the components of a queue system.
- (b) Determine the characteristics values 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

- 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:**
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:**
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**
- a) Calculate probability of events using binomial, Poisson and normal distribution.
 - b) Apply probability concept in accounting and business situations.
- 7.11 Random Variable, Probability Distribution and Elements of Decision Analysis**
- 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**
- 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

- 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

- 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

- 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, (2019). *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: A2: 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. 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

7.2. 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.

7.3. Business Functions, Activities and Processes

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.

7.4. 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

7.5. 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

7.6. Operations management

Learners will be able to:

- a) Understand and explain production methods
- b) Describe Production methods
- c) Describe the concepts of quality assurance

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 (2019). 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.

Boartright, J.R. (2007), Ethics and the Conduct of Business, 5th Edition, Prentice Keller, 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:	A3: FINANCIAL ACCOUNTING
2.0	LEVEL:	FOUNDATION
3.0	PRE-REQUISITE SUBJECT:	T05
4.0	CONTACT HOURS:	120

5. 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. PRINCIPAL LEARNING OUTCOME

Apply knowledge and skills in recording financial transactions and preparing financial statements for an entity including not for profit entity in accordance with the IFRSs, and IPSASs.

7. INDICATIVE CONTENT AND SUPPORTING LEARNING OUTCOMES

7.1. Introduction to Accounting Learners will be able to:

- a) Define accounting.
- b) Identify the users and the financial information they need about an entity.
- c) Differentiate financial accounting from management accounting.
- d) Identify sources of data and information for compiling financial records.
- e) Explain the accounting cycle and accounting equation.
- f) Describe Assets, Liabilities, Capital, Income, Expenses and Equity.
- g) Identify types of business entity; sole trader, partnership, companies, etc.
- h) 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 effects of transactions in the accounting equation
- c) Post transactions in the ledgers.

7.3. Accounting Treatment for Inventories

Learners will be able to:

- a) Recognise the need for and record adjustments for opening and closing inventory in preparing financial statements.
- b) Explain and apply the IASB requirements in IAS for valuing inventories.
- c) Recognise which costs should be included in valuing inventories.
- d) Explain the use of continuous and period end inventory records.
- e) Calculate the value of closing inventory and the cost of goods sold using FIFO (first in, first out) and AVCO (average cost).
- f) Identify the impact of inventory valuation methods on profit and on assets.

7.4. Basic Accounting Treatment for Property, Plant and Equipment

7.4.1. Tangible non-current assets (Basic concepts)

Learners will be able to:

- a) Define and identify non-current assets.
- b) Describe the difference between current and non-current assets.
- c) Explain the difference between capital and revenue items.

- d) Classify expenditure as capital or revenue expenditure.
- e) Prepare ledger entries to record the acquisition and disposal of non-current assets.
- f) Calculate and record profits or losses on disposal of non-current assets in the statement of income including part exchange transactions.
- g) Record the revaluation of a non-current asset in ledger accounts, the statement of income and in the statement of financial position.
- h) Calculate the profit or loss on disposal of a revalued asset.
- i) Illustrate how non-current asset balances and movements are disclosed in notes to the financial statements.
- j) Explain the purpose and operation of an asset register.

7.4.2. Depreciation

Learners will be able to:

- a. State and explain the meaning of depreciation.
- b. Calculate depreciation using straight-line and reducing balance methods.
- c. Identify the circumstances where different methods of depreciation would be appropriate.
- d. Illustrate how depreciation expense and accumulated depreciation are recorded in ledger accounts.
- e. Calculate depreciation on a revalued non-current asset including the transfer of excess depreciation between the revaluation surplus and retained earnings.
- f. Calculate the adjustments to depreciation necessary if changes are made in the estimated useful life and/or residual value of a non-current asset.
- g. Record depreciation in the statement of profit or loss and statement of financial position.

7.5. 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.

7.6. Correcting 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.

7.7. Bank reconciliation

Learners will be able to:

- a. Explain the purpose of bank reconciliation.
- b. Identify the main reasons for differences between the cash book and the bank statement.
- c. Correct cash book errors and / or omissions.
- d. Prepare bank reconciliation statements.
- e. Identify the bank balance to be reported in the final accounts

7.8. Preparation of year-end adjustments and trial balance using worksheet

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.

7.9. Introduction to basic financial statements

Learners will be able to:

- a. State the objective and qualities of financial statements.
- b. Show how information on the main financial statements may be useful to different categories of users.
- c. State and explain the purpose, nature and relationships between the main financial statement components.
- d. Demonstrate understanding of IASs/IFRSs on the preparation of financial statements (Statement of profit or loss, Statement of financial position and statement of changes in equity)
- e. State and explain the basis and purpose of the accruals, cash and break-up bases of accounting.
- f. Identify the elements of financial statements.
- g. Demonstrate understanding of the framework for financial statements as per IFRSs.
- h. Prepare financial statements for sole proprietor and partnership, namely: -
 - Statement of profit or loss
 - Statement of financial position
- i. Introduction to company accounts and preparation of company's financial statements: -
 - Understand the basics of fresh issue
 - Understand the basics of bonus share and right issue Statement of profit or loss
 - Statement of financial position

7.10. Preparation of the Statement of Cash Flows
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 including:
 - Cash flows from operating activities
 - Cash flows from investing activities
 - Cash flows from financing activities
- 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.

7.11. Preparation of Accounts from 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
 - 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.

7.12. Financial statements for not for profit entities

Learners will be able to:

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

7.13. Preparations of 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.
 - Statement of Financial Position

7.14. Interpretations of financial statements

Learners will be able to:

- a. Explain techniques of analysis and interpretation of financial statements.
 - Common-size percentage base techniques
 - Ratio analysis
 - Comparative analysis of financial statement

- 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 statement such as:
 - Current ratio
 - Quick/Acid test ratio
 - Gross margin ratio iv. Net margin
 - Return on Total Assets
 - Total Assets Turnover ratio
 - Non-current Assets Turnover ratio
 - Debtors' collection period
 - Creditors payment period
 - Inventory/stock turnover
 - Debt to equity
 - Interest cover
 - Earnings per Share (EPS)
 - Price/Earnings
 - Dividend yield.

8.0 LEARNING CONTEXT:

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

9.0 RECOMMENDED LEARNING MATERIALS

NBAA, (2019). Accounting Study Text. 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. (2005), Financial Accounting (4th Ed.). VIKAS.

Maheshwari, S.N. Maheshwari, S.K. (2009), Advanced Accountancy, (10th 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: A4: COST ACCOUNTING

2.0 LEVEL: FOUNDATION

3.0 PRE-REQUISITE SUBJECT: T06

4.0 CONTACT HOURS: 120

5.0 SUBJECT DESCRIPTION

The subject equips students with knowledge and understanding of cost analysis to enable them in production of accurate and useful information to support management in decision-making including costing and management accounting. The subject also takes an integrated approach by developing an awareness of information technology and systems support.

6.0 PRINCIPAL LEARNING OUTCOME

Apply knowledge and understanding of cost analysis and awareness of information technology 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. Separation of 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 the 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 and the various cost
- e. Procedure involved in determining production overhead absorption rat
- f. Under and over absorption of overheads
- g. Prepare cost statement and show prime, production and total cost.

7.1.3. Costing for Products, Services & 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 & calculate project costs, Income and their profit or loss
- e. Explain 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 variety situations

7.1.4. Marginal & 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 marginal costing and absorption costing approaches
- c. Select and explain 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. Break even analysis and the importance of contribution
- b. Break even basic chart preparations and interpretation
- c. Calculation of break-even point, margin of safety and target profits for a single product
- d. Limitation of CVP analysis

7.2.2. Short-term Decisions

Learners will be able to: -

- a. Relevant costing principles, including committed, sunk and opportunity cost
- b. Decision making with a single limiting factor/ constraint
- c. 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 planning and controlling including motivational considerations, including:
 - Bottom-up and top-down approaches
 - Marginal and absorption approaches
 - Activity based budget approach
 - Zero-based and incremental 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 for management

7.5. Management Information Systems

Learners will be able to: -

- a. Explain and distinguish the nature of data, information and knowledge in a business context
- b. Explain the functions performed by information in a business context
- c. Identify and explain the main information systems used by entities including business process systems, transactions processing systems, management information systems, decision-support systems and executive information systems
- d. Identify and explain the main risks to the reliability of data and information and how these may be managed and controlled operationally and through management of systems and technology including development of new systems

8.0 LEARNING CONTEXT:

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

9.0 RECOMMENDED LEARNING MATERIALS

NBAA (2019). Business Information Study Text. NBAA. Dar-es-Salaam, Tanzania.

10.0 OTHER RECOMMENDED LEARNING MATERIALS

Hornegren, 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. Bookpower

1.0	SUBJECT CODE AND NAME:	A5: 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. Understand the legal system of Tanzania.
- b. Define law and classify laws applicable in Tanzania.
- c. Describe the applicability of laws in Tanzania.
- d. Analyze 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

7.1.1 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.

7.1.1.1 Companies

Learners will be able to:

- a. Describe a company, classifications of companies and their salient features.
- b. Explain 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 and 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 books of account, 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.

7.1.1.2 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. Describes types of partners in partnerships
- d. Analyze 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.

7.1.1.3 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:

- 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 defenses available for tortious liability.

7.3.5 Employment Law

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 of 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

7.5.8 Criminal Offences

7.5.8.1 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 of being found guilty of criminal offences affecting or involving the accounting profession.

7.5.8.2 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 for 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 accountants of not complying with the requirements of the anti-money laundering laws.

7.5.8.3 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.

7.5.8.4 Procurement related Crimes

Learners will be able to:

- a. Explain the main criminal offences commonly involving or committed by the accounting professionals in relation to the procurement process.
- b. Identify and state basic laws and procedures for dealing with the procurement related offences.
- c. State the consequences of professional accountants being found guilty of procurement criminal offences.

7.5.9 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, (2019). 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.2002] 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, No.12 [R.E. 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 [R.E. 2002]

The Magistrates' Courts Act, 1984

The Penal Code, Cap 16 [R.E. 2002]

The Criminal Procedure Act, 1985

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

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

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, 2017.
The Accountants and Auditors (Practising) By-laws, 2017.
The Accountants and Auditors (Examinations) By-laws, 2017.
The Accountants and Auditors Code of Ethics By-laws, 2017.

10.2 Books

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:	A6: BUSINESS ECONOMICS
2.0	LEVEL:	Foundation
3.0	PRE-REQUISITE SUBJECT:	
4.0	CONTACT HOURS:	120

5.0 SUBJECT DESCRIPTION

Business Economics is the application of economic theory and methodology to business. Moreover, business involves decision-making which means the process of selecting one out of two or more alternative courses of action. The question of choice arises because the basic resources such as capital, land, labour and management are limited and can be employed in alternative uses. The decision-making function thus becomes one of making choice and taking decisions that will provide the most efficient means of attaining a desired end, say, profit maximization. Students will be taught the integration of economic theory with business practice for the purpose of facilitating decision-making and forward planning by management in the context of Tanzanian Economy.

6.0 PRINCIPAL LEARNING OUTCOME

At the end of the course students will be able to apply economic theory and methodology as an alternative in managerial decisions. Moreover, students are expected to understand basic foundation of economic concepts and tools that have direct managerial applications. Specifically, the course content will sharpen analytical skills of students through integrating knowledge of economic theory with decision making techniques in Accounting professional. The intention of 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

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 Macro Economics.
- 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. Understand 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. Define the Law of Demand with examples on real daily life experiences.
- b. Analyze the equilibrium situation between Demand and Supply as well as to determine price and quantity at equilibrium point.
- c. Analyze 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. Define the Law of Supply with examples on real daily life experiences.
- b. Identify 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 analyze 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. Assess the concept of own Price Elasticity.
- c. Analyze the relationship between Elasticity and Total Revenue to in order to make managerial decision in a given scenario.
- d. Evaluate Cross Price Elasticity of demand and analyze how the quantity demanded of one product changes due to the change in price of the product's substitute or its complement.
- e. Assess Income Elasticity particularly on how fluctuations in demand for goods or services as precipitated by changes in the purchasing power of consumers. Also, students will be able to analyze how consumers adjust their spending habits along with changes on consumer's disposable income.

7.3 Theory of Consumer Behavior

7.3.1 Utility theory

Learners will be able to:

- a. Explain and analyze the Utility theory upon individuals' preferences. Also, students will be able to explain behavior of individuals based on the premise that people consistently rank order their choices depending upon their preferences.
- b. Explain and distinguish between Cardinal and Ordinal Utility theory with respect to individual preferences.
- c. 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. Evaluate 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 the Budget constraints/Line and its component when analyzing consumer behavior. 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. Analyze how changes in income affect the consumer behavior and choices.
- d. Analyze how Changes in prices affect the consumer behavior and choices.
- e. Analyze 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 factors of production in economics, including their definition, their importance, and some examples.
- b. Analyze Total Product, Marginal Product, Average Product.
- c. Analyze 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 labor, 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. Evaluate the Short run cost output relationship.
- d. Assess the cost output relationship in the long run.
- e. Analyze the relationship between Revenue concepts and Revenue Curves.

7.5 Theory of distribution (Factor Market)

Learners will be able to:

- a. Assess the Marginal Productivity Theory and its contribution as a significant role in factor pricing.
- b. Explain the meaning and 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

- a. Types of market
- b. Learners will be able to:
- c. Assess 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.

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. Also students will be able to analyze equilibrium price at which the market demand becomes equal to market supply.
- b. Evaluate 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. Evaluate Profit maximization under monopoly market.
- c. Define and assess price discrimination and how firms charge different price to different groups of consumers for the same good. Also how price discrimination can provide benefits to consumer as well as advantages of price discrimination in an economy.

7.6.3 Monopolistic Competition

Learners will be able to:

- a. Identify features of Monopolistic competition market with practical examples.

- b. Evaluate Profit maximization under Monopolistic competition.
- c. Describe Long run equilibrium of Monopolistic competition market.

7.6.4 Oligopoly Markets

Learners will be able to:

- a. Identify Features of Oligopoly
- b. Evaluate Profit maximization under the Oligopoly Market

Macro-Economics

7.7 National Income Accounting

Learners will be able to:

- a. Understand and explain the fundamentals 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 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. Assess 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 analyze Marginal and Average Propensity to Consume and Save concepts and

- how they are used to explain national income determination.
- c. Evaluate 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. Analyze 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. Evaluate and discuss 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. On the other hand, students will learn how several institutions that act as the middleman join the deficit and surplus units.
- b. Discuss the role functions of Central Bank (Bank of Tanzania).
- c. Discuss the role functions Commercial Banks- role and functions.

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. Assess the concepts of Money and capital markets.
- c. Define and evaluate the Primary and Secondary markets.
- d. Evaluate the Stock Market and the Economy.
- e. Assess the case study of the Dar es salaam Stock Exchange (DSE) as practical solution to understand roles and functions of DSE.

7.8.4 Monetary Policy

Learners will be able to:

- a. Describe and discuss Monetary policy as the process of drafting, announcing, and implementing the plan of actions taken by the central bank, currency board, or other competent monetary authority of a country that controls the quantity of money in an economy and the channels by which new money is supplied.
- b. Assess the management of money supply and interest rates, aimed at achieving macroeconomic objectives such as controlling inflation, consumption, growth, and liquidity.
- c. Identify and discuss Objectives of monetary policy of Tanzania.
- d. Identify and evaluate Instruments of monetary policy.
- e. Identify and discuss the limitations of monetary policy.

7.8.5 Inflation

Learners will be able to:

- a. Identify and evaluate different types of inflation.
- b. Assess and analyze 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 Public Finance and Fiscal Policy

7.9.1 Public Finance

Learners will be able to:

- a. Define and discuss concepts of Public Expenditure and how expenses are incurred by the public authorities central, state and local. Also how such expenditures are made for the maintenance of the governments as well as for the benefit of the society as whole.
- b. Identify factors which influence a country's size of government expenditures.
- c. Identify and explain canons of public expenditure.
- d. Evaluate government budget with practical examples.
- e. Assess the concepts of Public Debt.
- f. Identify types of Public Debts.
- g. Discuss the Burden of Public Debt for the national development.

7.9.2 Fiscal Policy

Learners will be able to:

- a. Define and discuss how the government adjusts its spending levels and tax rates to monitor and influence a nation's economy.
- b. Describe the role of the Fiscal Policy.
- c. Identify major Source of Government Revenue.
- d. Identify and discuss kinds/types of taxes.
- e. Evaluate effects of taxes on the economy.
- f. Determine the administration of tax in Tanzania.

7.10 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. Evaluate free trade and protectionist concepts and its application.
- c. Assess terms of trade and its uses in International trade.
- d. Identify reasons for unfavorable terms of trade for LDCs
- e. Discuss theories of International Trade (comparative and absolute advantage) and their applications.
- 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).

7.11 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 the projection of employment and unemployment of Tanzania and the World.

7.12 Business Cycle

Learners will be able to:

- a. Define and discuss the Business cycle concept and how Gross Domestic Product (GDP) fluctuate 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 theories on business cycle with practical examples.

7.13 Overview of Tanzanian Economy

- 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.

8 Learning Context

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

9 RECOMMENDED LEARNING MATERIALS

NBAA (2019). A6 Business Economics Study Text. NBAA. Dar-es-Salaam, Tanzania.

10 OTHER RECOMMENDED LEARNING MATERIALS

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

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

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

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

Dwivedi, D.N. (2005). *Principles of Economics*, 2nd Edition VIKAS

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

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

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

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

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

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

Other references

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

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



INTERMEDIATE LEVEL (Skills and Analysis Level)

<i>Code</i>	<i>Subject Name</i>
<i>B1</i>	<i>Financial Management</i>
<i>B2</i>	<i>Financial Reporting</i>
<i>B3</i>	<i>Auditing Principles and Practice</i>
<i>B4</i>	<i>Public Finance and Taxation</i>
<i>B5</i>	<i>Performance Management</i>
<i>B6</i>	<i>Management, Governance and Ethics</i>

- 1.0 SUBJECT CODE AND NAME: B1: FINANCIAL MANAGEMENT**
- 2.0 LEVEL: INTERMEDIATE LEVEL**
- 3.0 PRE-REQUISITE SUBJECT: A2: 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 in evaluating investment opportunities, forecasting and planning financial needs of a firm. The subject enables candidates to apply debt and equity capital financing techniques in capital structure decision making. Determine the optimal working capital for a business. Apply dividend policy knowledge for dividend decisions.

7.0 INDICATIVE CONTENT AND SUPPORTING LEARNING OUTCOMES

7.1 Introduction to Corporate Financial Decision Environment

Learners will be able to: -

- a. Define financial management, its scope and role(s) in corporate management.
- b. Define the financial manager and the roles he/she plays in corporate decisions.
- c. Identify the roles that financial markets and institutions play in facilitating investment, financing and corporate development.
- d. Identify and explain the goals of the firm
- e. Evaluate and explain the relationship between business objectives and financial management objectives.

- f. Evaluate and explain the roles, motivations and interests of different stakeholders in financing decisions.
- g. Discuss how agency theory can be used to analyze the relationship between various stakeholders in a corporation and how the resulting agency problems may be overcome.
- h. Describe the financial system and fund flow in an economy and its relevance to Tanzanian context.
- i. Describe forms of market efficiency and its implication on determination of securities prices.
- j. Describe the applicability of the Efficient Market Hypothesis (EMH) to corporate decision-making process.

7.2 Principles of Valuation

7.2.1 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.

7.2.2 Risk and Return Analysis

Learners will be able to:

- a. Define and measure return and expected returns.
- b. Define and explain different types of risks.
- c. Describe the relationship between risk and return.

- d. Use market information to compute rate of return, variances and standard deviation of returns.
- e. Define 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 optimal portfolio weights.

7.3 Investment Decisions

7.3.1 Investment Appraisal (Capital Budgeting)

Learners will be able to: -

- a. Discuss 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. Identify, assess and explain appropriate investment appraisal techniques based on a given business, its objectives and circumstances.
- d. Identify, assess and explain appropriate data that may be used in cash flow calculations based on given business scenario data and information.
- e. Estimating cash flows for investment appraisal.
- f. Apply such appraisal techniques (discounted and non- discounted cash flow), and appropriate rates to appraise various investment project scenarios.
- g. Perform investment appraisal under inflationary condition.
- h. Compare various appraisal techniques.

7.3.2 Complex investment appraisal

Learners will be able to:-

- a. Identify, assess and explain other 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. Draft a straight forward investment plan with commentary based on a business scenario that requires an investment appraisal to be undertaken or where information is given.
 - f. Identify, evaluate and explain the impact of non-financial factors such as economic, social and environmental issues on making an appropriate investment decisions.

7.3.3 Investments in Securities and Portfolio Theory

Learners will be able to:

- a. Identify the objectives and constraints of individual investors.
- b. Discuss the portfolio investment and management process, indifference curves and investors, preferences, investment policies and strategies.
- c. Discuss the theory of portfolio allocation – asset allocation across risky and risk-free assets.
- d. Discuss the principle of diversification – the Markowitz portfolio theory.
- e. Determine the minimum variance portfolio and efficient frontier.
- f. Describe the capital market line and the separation theory.

7.3.4 The security market line (SML) and the Capital Asset Pricing Model (CAPM)

Learners will be able to:

- a. Differentiate between SML and CAPM; and between CAPM and Asset pricing Theory (APT).
- b. Derive the CAPM observing its assumptions and limitations.
- c. Compute the beta factor and alpha values.
- d. Compute the geared and ungeared betas.
- e. Compare the CAPM and the Arbitrage Pricing theory (APT).
- f. Assess performance of a portfolio using the risk adjusted benchmarks – The Treynor, Jensen and Sharpe Measures.

7.4 Financing Decisions

7.4.1 Short, medium- and long-term alternatives

Learners will be able to:

- a. Describe compare and contrast short term sources of finance – overdraft, trade credit, factoring, bills of exchange, and acceptance credit.
- b. Describe, compare and contrast forms of medium-term sources of finance – term loan, hire purchase, and leasing.

7.4.2 Issues of New Capital

Learners will be able to:

- a. Differentiate the various features of corporate securities – equity, debt and hybrid securities (both initial public offerings and seasoned equity offerings)
- b. Identify the advantages and disadvantages of each type of security as a method of raising the capital required by the corporation
- c. Describe the processes involved in issuance of corporate securities and discuss the choice and roles of investment advisers in the processes.

- d. Estimate the cost of new issues.
- e. Estimate the value of hybrid securities (convertible debentures and warrants)
- f. Analyse the effects of issuing each of such securities on the share price and discuss the available empirical evidence.

7.4.3 Cost of Capital

Learners will be able to:

- a. Define cost of capital.
- b. Identify and explain assess appropriate options for financing an entity based on a given business scenario and environment.
- c. Calculate and evaluate giving suitable advice on the costs of different financing methods used by a company.
- d. Understand the implication of tax on debt financing in relation to cost of capital.
- e. Compute 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.
- f. Discuss the roles of market and book values in computing cost of capital.
- g. Discuss the determinants of the level of cost of capital.
- h. Outline the different uses of cost of capital in finance.

7.4.3 Financial Gearing and Capital Structure

Learners will be able to:

- a. Define financial gearing and capital structure.
- b. Identify the relationship between financial gearing and operating gearing and between business risk and financial risk.
- c. State the basic capital structure theories (the traditional theories, the net operating theory, the Modigliani and Miller theories, signaling theory, Pecking order, bankruptcy and agency costs, personal taxes).

- d. Discuss critically whether or not a company by adopting a particular capital structure can influence its value or its cost of capital.
- e. Identify and explain the effect of capital gearing on investors' perception of financial risk and return.
- f. Define and measure operational gearing, and financial gearing.
- g. Determine the implications of debt financing on the return to shareholders under various financing alternatives using both EBIT-EPS and ROI-ROE analysis.
- h. Discuss the issues that must be kept in mind when determining optimal/target capital structure of a firm.

7.5 Dividend Policy

Learners will be able to:

- a. Describe the alternative dividend policies that companies can adopt and their significance.
- b. Discuss 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. Discuss 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 the different working capital policies and the impact of each on the profitability and liquidity position of the business.
- c. Identify the determinants of the working capital policy of businesses.
- d. Estimate the working capital requirements of a firm.
- e. Decide on the level of inventory and when to order.
- f. Determine credit policy variables and their impact on the wealth of the shareholders as well as managing collections.
- g. Evaluate whether the business should accept the services of the factor or not.
- 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. Define the nature and scope of financial planning.
- b. Identify the relationship between short term and long- term financial planning.
- c. Outline planning requirements for financial control.
- d. Identify the information needs of short-term planning.
- e. Apply techniques for short term planning.
- f. 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. Prepare financial statements forecasts
- c. Link external financing and the company growth.

7.7.3 Financial Analysis and Interpretation

Learners will be able to:

- a. Identify annual reports, financial statements and their components.
- b. Outline the factors that influence the contents of financial statements.
- c. Identify and apply various tools for financial statement analysis to determine the financial performance and position of a company.
- d. Identify and apply 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.

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, (2019). 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. (2002). *Investments*. 5th edition. Boston: McGraw Hill.

Brealey, R. A., Myers, S. C. & Marcus, A.J. (2006) *Fundamentals of corporate finance*. 6th edition. Boston: McGraw-Hill, Irwin.

Brigham, E. F. & Houston, J. F. (2007) *Fundamentals of Financial Management*. 11th Edition. Thomson South-Western- Thomson Higher Education, USA.

Gitman, L. J. (2009) *Principles of managerial finance*. 12th edition. Addison-Wesley/Prentice Hall Levy, H. and Post, T. (2005). *Investments*. Harlow: FT Prentice Hall Pandey, I. M. (2006) *financial management*. 9th 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. (2006). *Fundamentals of Corporate Finance*. 7th edition. Boston: McGraw-Hill - Irwin.

Ross, S.A., Westerfield, R.W. and Jaffe, J. (2010). *Corporate finance*. 9th edition. New York: McGraw Hill – Higher Education.

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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:	B2: FINANCIAL REPORTING
2.0	LEVEL:	INTERMEDIATE
3.0	PRE-REQUISITE SUBJECT:	A3
4.0	CONTACT HOURS:	120

5.0 SUBJECT DESCRIPTION

This financial reporting subject is a continuation from the financial accounting subject in Level 1- Foundation, 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 analyzing 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 IPSAS and analyze financial statements to examine the sustainability of the business entity.

6.1. INDICATIVE CONTENT AND SUPPORTING LEARNING OUTCOMES

6.2. The international accounting standards board (IASB) and the conceptual framework

Learners will be able to:

- a. Explain broad branches of accounting.
- b. Describe how accounting has developed through time.
- c. Explain the importance of Regulatory Framework for accounting and reporting.
- d. Discuss the structure of the IFRSF/IASB.
- e. Explain the regulatory framework of accounting in Tanzania.

- f. Identify and present the financial effects of accounting for events and transactions under the IASB Conceptual Framework.
- g. Explain the general purpose financial statements according to IASB.
- h. Explain the accounting reporting concepts, framework and practices governing presentation of financial statements
- i. Explain and present the qualitative characteristics of financial statement information and disclosures.
- j. Explain the meaning of true and fair or fairly presented in relation to financial reporting.
- k. Describe the accrual, cash, going concern and breakup basis concept in presentation of financial statement.
- l. Present and explain the differences between financial statements prepared using accruals and cash bases.
- m. Explain the objectives and limitations of financial statements using appropriate examples or using a given scenario.
- n. Identify, present and explain to professional accountants or general users the different bases of measurement or of capital and capital maintenance that may be used under accrual-based accounting.
- o. Describe the accounting concepts and theories governing presentation of financial statements.
- p. Describe various types of financial statements according to the concepts used.
- q. Explain the role of financial accountant in facing criticisms and challenges currently facing the accounting profession.
- r. Describe the role of IASB and NBAA in regulating accounting profession.
- s. Explain the need for recording transactions based on the commercial substance rather than their legal form.

6.3. Elements of financial statements

6.3.1 Property, plant and equipment

Learners will be able to:

- a. Explain the initial recognition of a non-current asset (including a self-constructed asset).
- b. Account for borrowing costs in accordance with international accounting standards.
- c. Describe and illustrate the subsequent measurement of tangible non-current assets, including their revaluation and disposal.
- d. Account for depreciation and disclosures in financial statements.
- e. Apply the provisions of international accounting standards to government grants and government assistance.
- f. Describe the criteria for non-current assets to be classified as held for sale, either individually or as a disposal group.
- g. Illustrate the accounting for non-current assets and disposal groups that are held for sale.
- h. Apply the requirements of international accounting standards to investment properties.

6.3.2 Impairment

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 and measure impairment loss.
- c. Define a cash-generating unit and allocate impairment loss to the assets of a cash-generating unit.

6.3.3 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.

6.3.4 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. Discuss 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. Discuss sale and leaseback transactions and their accounting treatment.

6.3.5 Revenue from contracts with customers

Learners will be able to:

- a. Explain and apply the principles of revenue recognition:
 - 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

- b. Describe and apply the acceptable methods for measuring progress towards complete satisfaction of performance obligations
- c. Explain and apply the criteria for the recognition of contract costs
- d. Specifically account for the following types of transactions:
 - Principal versus agent;
 - Repurchase agreements;
 - Bill and hold arrangements
 - Consignment agreements
- e. Account for different types of consideration (including variable consideration) and where a significant financing component exists in the contract.
- f. Prepare financial statement extracts for contracts with multiple performance obligations, some of which are satisfied over time and some at a point in time.

6.3.6 Financial Instruments

Learners will be able to:

- a. Understand 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. Explain and account for de-recognition of financial instruments and impairment of financial assets.
- d. Understand the accounting treatment for debt instruments and equity instruments.
- e. Understand the accounting of fixed interest rate and compound financial instrument.
- f. Presentation and disclosure of financial instruments in accordance with international accounting standards.

6.3.7 Provisions, contingent assets and liabilities

Learners will be able to:

- a. State 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. Define:
 - i. Legal obligations
 - ii. Constructive obligations
 - iii. Restructuring provisions
- d. Account for contingent liabilities and contingent assets.
- e. Identify and account for:
 - i. Onerous contracts
 - ii. Environmental and similar provisions

6.3.8 Inventory

Learners will be able to:

- a. Define and apply the principles of inventory valuation in accordance with International Accounting Standard on inventory

6.3.9 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.

6.4. Preparing financial statements

6.4.1 Regulatory requirement relating to the preparation of financial statements

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 public and private sector entities.
- c. Assess the circumstances in which the use of IFRS for companies and IPSAS for public sector entities may be required.
- d. Evaluate, judge and advise on the appropriateness of chosen accounting policies with regard to compliance with IFRS
- e. Draft and compile financial statements, or extracts of financial statements, of an entity in accordance with its chosen policies and IFRS.
- f. Draft and compile financial statements, or extracts of financial statements, of an entity in accordance with its chosen policies and IPSAS.

6.4.2 Reporting financial performance

Learners will be able to:

- a. Explain why EPS is a better indicator than the profit trend.
- b. 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.

- c. Calculate the diluted EPS in the following situations:
 - i. Where convertible debt is in issue
 - ii. Where share options and warrants exist.
- d. Distinguish between and account for adjusting and non adjusting events after the reporting date.
- e. Account for changes in accounting policy, error and changes in accounting estimates.

6.5. Preparing consolidated financial statements

6.5.1 Preparation of group consolidated external reports

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 or disposal of a subsidiary but not including part disposals and disposal of an associate

6.5.2 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:
 - i. Depreciating and non-depreciating non-current assets
 - ii. Inventory
 - iii. Monetary liabilities
 - iv. Assets and liabilities not included in the subsidiary's own statement of financial position, including contingent assets and liabilities.

6.5.3 Business combinations - associates

Learners will be able to:

- a. Define associates and explain the accounting treatment for associate companies
- b. Draft, compile and present the consolidated financial statements or their extracts in accordance with selected accounting policies and the requirements of IFRS.

6.6. Financial statement analysis and evaluation

6.6.1 Financial statement 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.

7.0 LEARNING CONTEXT

- a. Lecturing
- b. Classroom discussions
- c. Tutorials

- d. Group works
- e. Case studies
- f. Individual assignments
- g. Surfing/browsing (Web based materials)

8.0 RECOMMENDED LEARNING MATERIALS

- a. NBAA, (2019). Financial Accounting Study Text. NBAA. Dar-es-Salaam, Tanzania.

9.0 OTHER RECOMMENDED LEARNING MATERIALS

- a. Dermine, Jean, Bissada, Jousef F, 2002, Asset and Liability Management – a guide to value creation and risk control, Prentice Hall
- b. Elliot B, Elliot J (2008), Financial Accounting and Reporting, (12th Edition) Prentice Hall
- c. Glautier, M.W.E, and B Underdown, Accounting Theory and Practice (7th Edition) Prentice Hall

- 1.0 SUBJECT CODE AND NAME: B3: AUDITING PRINCIPLES AND PRACTICE**
- 2.0 LEVEL: INTERMEDIATE LEVEL**
- 3.0 PRE-REQUISITE SUBJECT: NONE**
- 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. Define and explain the concepts of audit and assurance
- b. State and explain 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. State and explain the parties and their roles, duties and rights in an assurance engagement including the members of the assurance team

- d. Identify and explain using suitable comparisons the different levels of assurance that may be obtained from assignments
- e. Identify and explain the meaning of expectation gaps in the context of audit and assurance assignments and their implications for the profession, including fraud, going concern, internal control and risk issues
- f. State and explain the meaning of reasonable assurance
- g. State and explain the meaning of an opinion and an assurance report
- h. State and explain the basic steps or components of an assurance process
- i. The approach, obtaining assignments and nomination
 - Accepting an engagement
 - Appointment
 - Scope of work
 - Risk and risk assessment
 - Different approaches to audit
 - Planning
 - Performance
 - Evidence and obtaining evidence
 - Testing and other work
 - Evaluating results
 - Concluding and considering an appropriate report
 - Reporting
 - Records and working papers
- j. State and explain the meaning of public interest and the need for professional scepticism in carrying out assurance engagements
- k. State and explain the meaning of materiality
- l. Describe audit risk and audit risk model
- m. Describe the principles and requirements of audit documentation
- n. Identify, state and explain audit responses to assessed risk.

7.2. The Nature and Use of Internal Controls

Learners will be able to:

- a. State and explain the nature of internal financial controls and internal controls
- b. State and explain the meaning of effective internal financial controls and internal controls
- c. Identify and explain the business, reporting and compliance objectives supported by internal controls
- d. State and explain the different types of internal control with emphasis on internal financial controls
- e. Identify the IT controls and its role in the business including IT General and Application controls.
- f. Identify circumstances where IT controls is effective than manual controls
- g. Identify the circumstances under which manual controls are preferred than automated controls.
- h. State and explain the main components of internal control including, the control environment, risk assessment, control activities, information and communication and monitoring activities
- i. Identify and 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
- j. Relate the results of internal control assessment to the design of subsequent audit procedures
- k. Identify and evaluate internal control weaknesses in a given scenario explaining how these may be rectified
- l. Identify and explain how accounting systems and related internal controls may be identified, recorded and analysed
- m. Identify, state and explain 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. State and explain why it is important to maintain and keep working papers and other documentation
- b. State, identify and explain the different sources and quality of evidence and the methods of obtaining evidence including documenting and assessing systems and controls, tests of controls, substantive tests and analytical procedures
- c. State and identify the differences in quality and reliability of different sources of audit evidence and the efficiency and effectiveness of different methods of obtaining evidence
- d. Explain the sampling of documents and transactions to be used in gathering audit evidence.
- e. Identify state and explain appropriate procedures to gather evidence including all of the above sources and procedures based upon a given scenario.
- f. Evaluate audit evidence suitability to address audit assertions for different elements of financial statements.
- g. Explain the concept of Computer Assisted Audit Techniques (CAATs), its advantage and challenges
- h. Identify and evaluate based on a given scenario including information regarding evidence obtained whether that evidence is sufficient to provide an appropriate basis for a given opinion or report
- i. Identify the circumstances where written representations may be required stating how reliable such evidence may be
- j. Identify and evaluate the circumstances where matters need to be raised with a senior assurance team member and how this should be communicated and documented

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

Learners will be able to:

- a. Explain the importance of professional ethics
- b. Explain the differences between rules based and principles-based approaches to professional ethics
- c. Identify and explain in context the meaning of public interest
- d. Identify and explain ethical issues based on the IFAC code
- e. Select suitable actions to deal with ethical dilemmas
- f. Identify and explain in context the fundamental ethical principles
- g. Identify and explain in context the ethical threats and safeguards
- h. Identify and explain in context ethical conflicts as an employee and as a practising accountant

7.5. Assurance reports, Types and the content.

Learners will be able to:

- a. Form audit conclusions from evidence collected in an audit
- b. Develop an appropriate audit opinion given the circumstances of an audit
- c. Describe the implications of going concern, subsequent events and letter of representation
- d. Analyse the form and content of the professional accountant's report for an assurance engagement
- e. Draft audit reports based on opinions reached.

7.6. Public Sector Auditing

Learners will be able to:

- a. Identify the role of Controller and Auditor General (CAG)
- b. Explain the legal environment in which the CAG and auditees function: Appointment, resignation, functions and legal mandate
- c. Explain specific considerations for public sector auditing
- d. Explain the role of INTOSAI
- e. Identify the role of Internal Auditor General (IAG)
- f. Explain the legal environment in which IAG operates: Appointment, function, legal mandate, resignation

7.7. Internal Audit of Entities

Learners will be able to: -

- a. Identify the meaning and the key functions of Internal audit units
- b. Identify International Professional Practice Framework (IPPF) and explain different types of IPPF
- c. Explain the internal audit process and reporting of internal audit functions
- d. Describe the rationale for or against outsourcing of internal audit function.
- e. Explain the assurance and consulting role of internal audit unit
- f. Explain the role of internal audit functions in risk management and internal control

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, (2019). 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:	B4: PUBLIC FINANCE AND TAXATION
2.0	LEVEL:	INTERMEDIATE LEVEL
3.0	PRE-REQUISITE SUBJECT:	NONE
4.0	CONTACT HOURS:	120

5.0 SUBJECT DESCRIPTION

The subject builds learners' knowledge and skills in public finance and enabling them to effectively comply with tax laws and principles, both in public sector and in private sector.

6.0 PRINCIPLE 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

7.1. Public Finance and National Income

7.1.1. Introduction to Public Finance and the Economic Roles of the Government

Learners will be able to:

- a. Explain the meaning of public finance and describes 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 the principles/canons of taxation
- c. Identify and explain the bases on which taxes are classified
- d. Explain 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. Explain the concept of tax buoyancy and elasticity and taxable capacity
- i. Explain the concept of excess burden and optimal taxation
- j. Explain the relation between tax rate and revenue collection
- k. Explain the concepts tax incentives and tax competition

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

7.1.5. Government Budget

Learners will be able to:

- a. Explain the meaning 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. Explain 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. Explain the measures that can be used to reduce the burden of debts in Less Developed Countries

7.1.7. Fiscal and Monetary policy

Learners will be able to:

- a. Explain objectives of fiscal and monetary policy
- b. Describe tools/mechanisms of fiscal and monetary policy
- c. Describe Forms of fiscal and monetary policy
- d. Describe problems in using fiscal and monetary policy

7.1.8. National Income Accounting

Learners will be able to:

- a. Describe the meaning of national income and national income accounting
- b. Describe the concepts of national income
- c. Describe measurements methods of national income
- d. Describe determinants of the size of national income
- e. Identify the role of the government in national income
- f. Describe uses of national income statistics

- g. Describe problems of computing/compiling national income
- h. Explain weaknesses of using per capital income (PCI) statistics to compare standard of living among countries
- i. Describe the role of the public sector in the circular flow of income and expenditure.
- j. Explain the determination of equilibrium income in an economy with Two, Three and Four Sectors Models.

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 TRA departments and their roles in tax administration
- d. Identify the taxes administered by the TRA
- e. Explain the tax administration provisions relating to tax consultants in the Tax Administration Act 2015.
- f. Describe Taxpayer's Charter

7.2.2. Sources of Tax Laws and its Interpretation

Learners will be able to:

- a. Describe 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 avoidance and evasion
- b. Explain main causes of tax avoidance and evasion
- c. Identify general practices through which a taxpayer can eliminate or minimize tax liability through tax avoidance and evasion
- d. Explain the ways that can be employed to minimize tax avoidance and evasion
- e. Discuss statutory measures against tax avoidance in Tanzania
- f. Describe 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 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. Principles of Deduction

Learners will be able to:

- a. Explain the general principle of deductions.
- b. Identify the specifically allowable deductions.

7.3.3. Realization of Assets and Liabilities

Learners will be able to:

- a. Explain the rules relating to calculation of gain/loss of assets and liabilities
- b. Explain 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

7.3.4. Depreciation of Depreciable Assets

Learners will be able to:

- a. Classify depreciable assets
- b. Adding depreciable assets in the pool of depreciable assets
- c. Calculate depreciation allowances

7.4. Computation of Taxable Income

7.4.1. Employment Income

Learners will be able to:

- a. Identify items included in calculation of chargeable income from employment.
- b. Identify items excluded in calculation of chargeable income from employment.
- c. Identify the allowable deductions.
- d. Establish income from employment.

7.4.2. Individuals Business Income

Learners will be able to:

- a. Explain the meaning of business
- b. Describe the inclusions/ components of Income from Business
- c. Describe exclusions/income which do not form part of business income
- d. Calculate Business Income
- e. Explain presumptive income taxation and its application in Tanzania

7.4.3. 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 chargeable Investment Income

7.4.4. Payment Procedures of Tax

Learning Outcome:

- a. Describe tax payment procedures by withholding system.
- b. Describe tax payment procedures by installment.
- c. Describe tax payment procedures by return.
- d. Explain concept tax assessments and notice of assessment

- e. Identify documents required to be maintained by Taxpayers.
- f. Describe the “EFD” system, its benefits and the possible revenue risks involved

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 the offences from non-compliance.
- g. Describe 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 types of VAT (Consumption, Gross-product, and Income type VAT)
- c. Explain methods of VAT computation (addition, subtraction and credit method)
- d. Explain the argument for and against VAT
- e. Describe 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 registrations for branches and divisions
- c. Explain 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 classification/ type of supplies (Taxable, zero-rated and exempt supplies)
- c. Distinguish between composite and multiple supplies
- d. Explain place of supply/Taxation for goods and services.
- e. Describe when Value Added Tax becomes payable (Time of supply)
- f. Explain the concept of consideration and value for supply
- g. Describe 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 conditions for claiming pre- registration input tax
- d. Explain conditions for deduction of input tax on bad debts
- e. Describe 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 customs entry and clearance procedures for imports
- d. Explain the customs entry and clearance procedures for exports
- e. Explain the administration of bonded and customs warehouses
- f. Differentiate between prohibitions and restrictions
- g. Describe the rules of origin in the East Africa Customs Union
- h. Apply Customs Valuation methods
- i. Calculate Duties and Taxes collected through customs
- j. Explain Customs procedures for prevention of smuggling
- k. Determine offences in customs operations
- l. Describe 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 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 the stamp duties rates and the basis of computation

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

Value Added Tax in Tanzania, (3rd Edition 2019) by Deogratius 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 AND NAME:	B5: PERFORMANCE MANAGEMENT
2.0	LEVEL:	INTERMEDIATE LEVEL
3.0	PRE-REQUISITE SUBJECT:	A4: COST ACCOUNTING
4.0	CONTACT HOURS:	120

5.0 SUBJECT DESCRIPTION

The subject equips the students with knowledge and understanding to provide information and decision support to management in operational and strategic contexts. Students will be expected to be capable of analyzing financial and non-financial data and information to support management decisions

6.0 PRINCIPAL LEARNING OUTCOME

Apply knowledge and skills of financial and non-financial data analysis in providing information and decision support to management for 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. Classification of costs, including classification by nature, functions, traceability to products, relevance to 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 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 the difference and reconcile the profits between marginal and absorption costing.
- f. Explain the arguments for and against marginal and absorption costing

7.1.3 Activity based costing

Learners will be able to:

- a. Identify appropriate cost drivers under ABC.
- b. Calculate costs per driver and per ABC.
- c. Compare ABC and traditional methods of overhead absorption based on production units, labour hours or machine

7.1.4 Target costing

Learners will be able to:

- a. Derive a target cost in manufacturing and service industries.
- b. Explain the difficulties of using target costing in service industries.
- c. Suggest how a target cost gap might be closed

7.1.5 Back flush costing

Learners will be able to:

- a. Explain what back flush costing is.
- b. Explain the features of back flush costing.
- c. Explain the application of back flush costing.

7.1.6 Life-cycle costing

Learners will be able to:

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

7.2 Decisions-Making Techniques

7.2.1 Cost Volume Profit Analysis

Learners will be able to:

- a. Evaluate the nature of cost-volume-profit (CVP) analysis.
- b. Evaluate the 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
- 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. Compute the breakeven point for a multiple product company.
- j. Describe the differences between the accountant's and economist's model of CVP analysis.
- k. Discuss the limitations of CVP analysis for planning and decision making

7.2.2 Relevant information for Decision making

Learners will be able to:

- a. Explain the meaning of relevant costs and revenue.
- b. Differentiate relevant costs and irrelevant costs.
- c. Evaluate the importance of qualitative factors in decision making.
- d. Identify the characteristics of relevant information.
- e. Identify and calculate relevant costs for a specific situations from given data

7.2.3 Throughput Accounting

Learners will be able to:

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

7.2.4 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 with buy in costs and make appropriate decision using comparative analysis.
- g. Identify costs relevant for shut down and shut down point
- h. Apply relevant costing principles in situations involving shut down and extra shifts.
- i. Make financial analysis and decide whether to replace an old equipment
- j. Calculate incremental costs of processing further a product and make an 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

7.2.5 Pricing Decision

Learners will be able to:

- a. Evaluate the factors that influence the pricing of a product or service.
- b. Illustrate the pricing policy, pricing objectives, and pricing strategies
- c. Evaluate the different cost-plus pricing methods for deriving selling prices

- d. Calculate the selling price using cost-plus pricing methods. e. Evaluate the limitations of cost-plus pricing.
- f. Illustrate the role that target costing plays in the pricing decision.
- g. Illustrate the price elasticity of demand
- h. Formulate the demand function.
- i. Evaluate how the optimum output and selling price is 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 the 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 the 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 Objectives of budget

Learners will be able to:

- a. Illustrate how corporate and divisional objectives may differ and can be reconciled.

- b. Identify and resolve conflicting objectives and explain its implications.

7.3.2 Budgetary Control System

Learners will be able to:

- a. Evaluate the nature of budgetary control system.
- b. Illustrate the functions of budgetary control system.
- c. Evaluate the objectives of a budgetary control system.
- d. Illustrate how budgetary control systems fit within the performance hierarchy.
- e. Select and explain appropriate budgetary systems for an organization, including top-down, bottom-up, rolling, zero- base, activity-base, incremental and feed-forward control.
- f. Evaluate the information used in budget systems and the sources of the information needed.
- g. Illustrate how budget systems can deal with uncertainty environment.

7.3.3 Types of Budget

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, master budgets.
- c. Evaluate the difficulties of changing the type of budget used.

7.3.4 Behavioral Aspects of budgeting

Learners will be able to:

- a. Identify 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 Variances Analysis

7.4.1 Introduction to standard costing, basic variances and operating statements

Learners will be able to:

- a. Evaluate different types standards (ideal, basic, attainable, current)
- b. Prepare Standard cost card
- c. Calculate and identify the cause of basic variances including:
 - Sales price and volume.
 - 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.
- d. Produce full operating statements in both a 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, ABC-based variances.
- g. Illustrate the different methods available for deciding whether or not to investigate a variance cause.

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 the wider issues involved in changing material mix such as cost, quality and performance measurement issues.
- c. Identify and explain the relationship of the material price variance with the 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 of the sales volume variances with the sales mix and quantity variances.

7.4.4 Planning and operational variances

Learners will be able to:

- a. Calculate a revised budget.
- b. Identify and explain those factors that could and could not be allowed to revise an original budget.
- c. Calculate planning and operational variances for sales, materials Labor, and overheads
- d. Evaluate the dysfunctional nature of some variances in the modern environment of JIT and 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. Select and calculate suitable financial performance measures for a given business from given data and information provided.
- b. Evaluate the results based on business objectives and advise on management action.
- c. Explain and assess the use of balanced scorecard methods including evaluation of performance from given data and information
- d. Explain and evaluate the use of value for money (VFM) techniques in performance management
- e. Select and explain stakeholder based measures of performance that may be used to evaluate social or environmental performance of a business.

7.5.2 Divisional Performance measurement and transfer pricing

Learners will be able to:

- a. Describe and illustrate the basis for setting a transfer price 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 decisions made.
- c. Describe the meaning of, and calculate, Return on Investment (ROI), Residual Income (RI), Economic Value Added (EVA) and Shareholder Value Added (SVA) and assess their benefits and shortcomings.
- d. Describe the nature of, and calculate the productivity measures.

7.5.3 Performance management systems

Learners will be able to:

- a. Evaluate and advise management on suitable information technology and information systems support that may enable them to operate effective operational and strategic performance management systems
- b. Evaluate and advise management on suitable approaches that may be used to management people issues and change when implementing performance management systems.

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, (2019). Performance Management Study text. NBAA. Dar-es-Salaam, Tanzania.

10.0 OTHER RECOMMENDED LEARNING MATERIALS

Drury, C. (2012). Cost and Management and Cost Accounting, London: International Thomson Business Press.

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

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

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

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

1.0	SUBJECT CODE AND NAME:	B6: MANAGEMENT, GOVERNANCE AND ETHICS
2.0	LEVEL:	Intermediate
3.0	PRE-REQUISITE SUBJECT:	A2 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 management and administrative functions of an organisation.

7.0 INDICATIVE CONTENT AND SUPPORTING LEARNING OUTCOMES

7.1. Strategic Management

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 uses 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, taking into account 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

7.2.1. Governance

Learners will be able to:

- a. Define the concept of corporate governance taking into account the narrow and the broad perspectives.
- b. Identify and, based on a given scenario, show the link between legal framework and the actual governance practices or lack of it.
- c. Identify and, based on a given scenario, assess the role and responsibilities of an effective board.
- d. 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.

- e. Assess the effect of politics and corruption in various forms on the governance of companies both in the private sector and the public sector.
- f. Identify and, based on a given scenario, assess the issues of accountability of management to a board, private and institutional shareholders.
- g. Assess the issues of accountability of boards of directors to minority and large shareholders.
- h. Identify and, based on a given scenario, evaluate the issues of transparency for an entity.
- i. Explain the importance of probity as a principle of governance assessing issues and their implications in a given scenario.
- j. Assess the extent to which a board is focusing on sustainable long-term success in a given scenario.

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 communication 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. Identify and explain the role of codes of ethics in private and public companies or state-owned companies.
- c. Identify and explain the ethical dilemmas faced by accountants in the private and public sectors.
- d. Identify and explain in the context of a given scenario how business ethics; Virtue ethics and moral duties may be linked
- e. Identify and Ethical theories; Normative Theories; Teleological Theories; Deontological Theories.
- f. Identify and assess the link between professional ethics and corporate social responsibility.
- g. Identify and explain how business governance is associated with Compliance and whistle blowing; Global Competition.
- h. Identify and explain Ethical Decision Making and judgment.

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 (2019). 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 PublishersVelasquez, M. G. (2014). Business ethics: Concepts and cases. Pearson Education Limited.

FINAL LEVEL
(Professional Analysis, Application and Evaluation Level)

Code	Subject Name
<i>C1</i>	<i>Corporate Reporting</i>
<i>C2</i>	<i>Auditing and Assurance Services</i>
<i>C3</i>	<i>Business and Corporate Finance</i>
<i>C4</i>	<i>Advanced Taxation</i>

1.0	SUBJECT CODE AND NAME:	C1: CORPORATE REPORTING
2.0	LEVEL:	FINAL LEVEL
3.0	PRE-REQUISITE SUBJECT:	A3; B2
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, analyzing, and evaluating corporate reports by entities, both in the private and public sector.

7.0 INDICATIVE CONTENT AND SUPPORTING LEARNING OUTCOMES

7.1 Conceptual and Regulatory Framework

Learners will be able to:

- a. Explain the regulatory role played by NBAA.
- b. Explain the legal framework for financial reporting – Companies Act and other industry-specific laws.
- c. Explain the scope of NBAA standards and IASB standards in the country.
- d. Evaluate and document applicability of international standards in the local environment.
- e. Identify and explain current issues (including the convergence issues) arising in the development of generally accepted accounting practice at a local and international level.
- f. Explain the purpose, status and contents of the IASB conceptual framework
- g. Explain the principles under which fair value is measured under IFRS

7.2 Professional Ethics and Duties of an Accountant

Learners will be able to:

- a. 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.
- b. Discuss the creative accounting, its objectives, ethical implications and the extent to which this can be practiced in line with IFRSs.
- c. Design alternative reporting when departure from international standard is inevitable and communicate the departure in the notes

7.3 Reporting the financial performance of entities

Learners will be able to:

- a. Apply, evaluate, interpret and report information as required by International Financial Reporting standards on:-

7.3.1 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. Apply the guidance given under IFRS to account for non-current assets including property plant and equipment, borrowing costs, impairments and revaluations
- b. Understand and apply the requirements under IFRS for government grants
- c. Understand and apply the requirements under IFRS for non-current assets held for sale including a disposal group.

- d. Understand and applying the requirements under IFRS for investment property.
- e. Understand and apply the requirements of IFRS to intangible assets.

7.3.2 Revenue from contracts with customers

Learners will be able to:

- a. Explain and apply the principles of revenue recognition:
 - 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
- b. Describe and apply the acceptable methods for measuring progress towards complete satisfaction of performance obligations
- c. Explain and apply the criteria for the recognition of contract costs
- d. Specifically account for the following types of transactions:
 - Principal versus agent;
 - Repurchase agreements;
 - Bill and hold arrangements
 - Consignment agreements
- e. Account for different types of consideration (including variable consideration) and where a significant financing component exists in the contract.
- f. Prepare financial statement extracts for contracts with multiple performance obligations, some of which are satisfied over time and some at a point in time.

7.3.3 Financial instruments

Learners will be able to:-

- a. Understand the key terms and definitions in the context of financial instruments.
- b. Apply and discuss the initial recognition, classification and subsequent measurement of financial assets and financial liabilities.
- c. Apply and discuss de-recognition of financial instruments and impairment of financial assets.
- d. Discuss the accounting treatment for a derivative financial instrument.
- e. Outline the principles of hedge accounting and also discuss the accounting treatment
- f. Apply and discuss the accounting treatment for debt instruments and equity instruments.
- g. Apply and discuss the accounting of fixed interest rate and compound financial instrument.
- h. Presentation and disclosure of financial instruments in accordance with international accounting standards.

7.3.4 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. Discuss 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. Discuss sale and leaseback transactions and their accounting treatment.

7.3.5 Distinguish between and account for adjusting and non-adjusting events after the reporting date

Learners will be able to:

- a. Understand and apply the criteria for distinguishing between adjusting and non-adjusting events after the reporting date

7.3.6 Provisions, contingent liabilities and contingent assets

Learners will be able to:

- b. State when provisions may and may not be made, and how they should be accounted for.
- c. Understand in accordance with international accounting standards, how provisions are measured.
- d. Define and understand:
 - i. Legal obligations
 - ii. Constructive obligations
 - iii. Restructuring provisions
- e. Account for contingent liabilities and contingent assets.
- f. Identify and account for:
 - i. Onerous contracts
 - ii. Environmental and similar provisions

7.3.7 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.
- d. Account for foreign operations

7.3.8 Employee Benefits

Learners will be able to:

- a. Define 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. Explain the disclosure requirements under IAS 19 on Employee Benefits.

7.3.9 Income Tax

Learners will be able to:

- a. Apply and discuss 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

7.3.10 Share-Based Payment

Learners will be able to:

- a. Define 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.

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

Learners will be able to:

- a. Explain the meaning of SMEs and the simplification introduced by IASB
- b. Explain the differences in application of mainstream IFRSs and IFRS for SMEs in preparing and presenting financial statements.

7.3.12 Exploration and Evaluation Expenditures

Learners will be able to:

- a. Explain the need and scope of IFRS 6 on exploration and evaluation expenditures
- b. Apply and discuss 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.

7.3.13 Preparation of Financial Performance and Position 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. Prepare notes/disclosures that meet the disclosure requirements of the IFRSs and local standards, including disclosures of Earnings per share (EPS) and other specific standards.
- c. Prepare appropriate interim reports from a given scenario.
- d. Explain the accounting for hyperinflation
- e. Identify and explain the extent of distributable profits of an entity based on Companies Act.
- f. Prepare and comment upon a Directors report as per the TFRS.
- g. Explain the reporting requirements for a first-time adopter under IFRS.

7.4 Presentation of Accounts and Disclosures

7.4.1 Operating Segments

Learners will be able to:

- a. Define an operating segment and explain the problems faced by companies in reporting segment information.
- b. Identify and apply the requirements of IFRS 8 on segment reporting.

7.4.2 Related Party Disclosures

Learners will be able to:

- a. Apply the principles of IAS 24 to identify related party relationships.
- b. Describe the disclosures pertaining to related party transactions.

7.4.3 Enhancing financial reporting

Learners will be able to:

- a. Describe the impact of environmental, social, and ethical factors on performance measurement.
- b. Identify and explain the additional information that may be included in annual reports beyond financial statements in accordance with best practice and other requirements including management reports, integrated reporting, director's report, risk information, governance reports, value added reports, corporate social responsibility reports, financial summaries, key performance indicators and highlights.

7.5 Financial Statements of Group of Entities

7.5.1 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 arrangements according to IFRSs.
- g. Prepare consolidated financial statements where there is step acquisitions of subsidiaries.
- h. Evaluate and apply the knowledge of group accounting in situations of complex group structures.
- i. Prepare the consolidated financial statements for foreign subsidiaries and their disposal

7.5.2 Continuing and Discontinued Interests and Change in Group Structure

Learners will be able to:

- a. Calculate from given data and information the amounts to be included in a group's consolidated financial statements arising from existing, new or discontinuing activities or interests in subsidiaries, associates or joint ventures in accordance with IFRSs and local regulations.
- b. Apply the requirements of International Financial Reporting Standards with the regards to the treatment of a subsidiary which has been acquired exclusively with a view to subsequent disposal.

7.5.3. Preparation of group statements of cash flows.

Learners will be able to:

- a. Apply and discuss the principles of group accounting in the preparation of group statement of cash flow.

7.6 Reporting for Specialised Entities and Specialised 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/ IFRS on Agriculture.

7.7 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. 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 a 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 and comment upon limitations of analysis.

7.8 Accounting for Reorganisation and Reconstructions **Learners will be able to:**

- a. Identify and outline the reasons for an internal or external reorganization.
- b. Outline the appropriate accounting treatment relating to reorganization and reconstruction.

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, (2019). Corporate Reporting Study Text. NBAA. Dar es Salaam. Tanzania

10.0 OTHER RECOMMENDED LEARNING MATERIALS

ACCA approved study texts for Financial 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 ed. Thomson Learning

1.0	SUBJECT CODE AND NAME:	C2: AUDITING AND ASSURANCE SERVICES
2.0	LEVEL:	FINAL LEVEL
3.0	PRE-REQUISITE SUBJECT:	B3
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. Assess and advise on technical, professional and ethical issues that may arise during assurance engagements including evaluation and communication with any party to the engagement.
- b. Identify and discuss measures and safeguards to deal with ethical threats in relation to an engagement.
- c. Identify and make judgements upon when it may be appropriate to refer a matter to a more senior colleague or for third party advice or consultation
- d. Identify and explain the nature and purpose of laws, regulations standards and codes in the context of assurance engagements

- e. Explain, evaluate and communicate the process and issues in the standard setting process at national and international level
- f. Evaluate and communicate the interaction between national laws and regulations and the requirements of an assurance engagement
- g. Evaluate and communicate the differences between different jurisdictions on how to deal with audit issues including national approaches, international approaches and approaches such as the US Sarbanes-Oxley and related requirements for audit
- h. Identify, evaluate and explain the audit expectations gap.
- i. Identify, evaluate and explain the extent of legal liability including criminal and civil law liability including professional negligence issues and how they can be mitigated

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

- a. Analyse and evaluate issues during the process of obtaining audit work
- b. Identify and explain the legal, professional and ethical issues during the acceptance of assurance or audit assignments
- c. Analyse and evaluate the potential issues that determine the nature, scope and extent of an assurance or audit engagement
- d. Evaluate and apply appropriate procedures and personnel for management of an assurance or audit engagement
- e. Evaluate and apply appropriate quality control measures that may be used by a firm and during the course of an assurance or audit engagement
- f. Analyse and evaluate the extent to which assurance and audit functions within an entity can be used or relied upon

- g. Evaluate and apply appropriate monitoring and review procedures to effectively manage an audit or assurance engagement
- h. Identify and explain the purposes of monitoring of audit and assurance engagements and how to ensure engagement quality
- i. Analyse and evaluate the considerations for an auditor of risk issues identified prior to accepting an engagement
- j. Analyse and evaluate how engagement terms can be agreed and recorded by an auditor including those agreed with a client and those imposed by laws or regulations

7.3. Planning and Undertaking Audit Work

Learners will be able to:

- a. Analyse, evaluate and explain based on a business scenario the areas of a business that may be important to understand to develop an effective strategy or plan
- b. Analyse and evaluate the techniques available to obtain an effective understanding.
- c. Analyse and evaluate the situations when third party expertise may be required
- d. Evaluate and communicate the elements of audit risk including inherent risk, control risk and detection risk and their relationship to audit planning of procedures
- e. Identify and evaluate the components of risk for any assurance engagement
- f. Evaluate and explain how business process effectiveness may affect an assignment
- g. Identify and evaluate the risks arising in a business scenario from accounting manipulation, error, fraud or other irregularities
- h. Identify and evaluate the risks arising in a business scenario from business and financial issues

- i. Evaluate and apply judgments and measures of materiality in carrying out an audit or assurance engagement
- j. Evaluate and apply analytical procedures that may be used to plan an audit or assurance engagement
- k. Analyse and evaluate how risk and materiality judgments affect the planning of an assurance or audit engagement, including the nature, timing and extent of work
- l. Develop a proposed audit plan with justifications of judgements made based on a business scenario for an audit or assurance engagement including considerations relating to:
 - Materiality decisions
 - Internal control assessments including IT controls
 - Reliance on internal audit, specialists and the work of other auditors
 - Use of client generated data, information and reports
 - Tests of control, substantive procedures including analytical procedures
 - Visits to locations, branches and departments
- m. Identify and explain appropriate procedures for assurance engagements for corporate social responsibility and sustainability reports
- n. Identify and explain the differences between assurance engagements and audit engagements for profit and not- for profit entities include those in the public sector
- o. Specify and explain in accordance with appropriate local legislation and international auditing and assurance standards the steps and procedures for audit and assurance work in the private and public sector.

- p. Develop and coordinate audit plans for group audits, joint audits, value for money audits as well as public sector audits, special engagements, investigations.
- q. Identify the needs to use experts, management representations and third parties in an engagement.

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

Learners will be able to:

- a. Identify and assess based on a given business and a given scenario the business, reporting and compliance risks in the context of an assurance or audit engagement in the public or private sector
- b. Describe the procedures for assessing Internal and financial control.
- c. Communicate the assessed risks, internal and financial control findings, advice or report based on the results from the assessment.
- d. Evaluate the implementation of a previously suggested control measure and its effectiveness.

7.5. Evaluation of Accounting Treatments and other Audit Consideration

Learners will be able to:

- a. Analyse and evaluate, drawing conclusions on the appropriateness of stated accounting treatments in the context of a given business and a given scenario in the public or private sector in an audit assignment based on corporate and other relevant law and generally accepted accounting practice
- 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. Analyse, evaluate and propose how issues identified during the course of an assignment may be raised and dealt with in communication with management, directors and those charged with governance including action taken when such issues cannot be agreed
- b. Identify, apply and explain procedures that may be used and considerations relating to the identification of subsequent events that may require adjustment or disclosure
- c. Identify, apply and explain procedures that may be used and considerations relating to the identification of risk issues that may require disclosure
- d. Evaluate and apply quantitative and qualitative judgments based on the results of tests and evidence obtained
- e. Draw conclusions and advise on the capability to report on an assurance engagement or 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
- f. Draft extracts of a suitable assurance report or management report based on a given scenario and entity
- g. 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
- h. Evaluate and apply suitable judgements on when it may be appropriate to refer to a specialist in preparing and opinion or report
- i. Evaluate and apply suitable judgements on when it may be appropriate to withdraw from, withdraw an opinion on or take other such appropriate action on an audit or assurance engagement

- j. Identify and explain the issues that may be relevant and the nature of report that may be given relating to risk management, internal controls and governance

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, (2019). 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:	C3-BUSINESS AND CORPORATE FINANCE
2.0	LEVEL:	PROFESSIONAL LEVEL
3.0	PRE-REQUISITE SUBJECT:	B1
4.0	CONTACT HOURS:	120

5.0 SUBJECT DESCRIPTION

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

6.0 PRINCIPAL LEARNING OUTCOME:

Apply business and financial theories, concepts and analytical frameworks, in assessing global business environment, international investments, apply business valuation tools, financial engineering products and provide advice based on such assessments.

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. Evaluate based on a given scenario the impact of external factors and financial market issues upon business and financial strategy.
- b. Evaluate global business environment and financial management decisions related to multinational companies by analyzing;

- o Shareholders and Corporate wealth maximisation concepts for Multinational firms.
 - o Factors for the growth of global business and multinational Corporations;
 - o Risks and Opportunities associated with global business.
- c. Evaluate the determinants, usefulness, implications and host country's restrictions on Foreign Direct Investment (FDI) by assessing:
- o Assessing foreign direct investments modes of involvement.
 - o Analysing reasons, strategic and economic motives behind FDI.
 - o Understand alternative global business entry strategies (methods).
 - o Understand the legal and Institutional framework governing Foreign Direct Investment with specific emphasis to Tanzania.
 - o Discuss the advantages and drawbacks of FDI to host country.
 - o Explain the role of Foreign Direct Investment in abusive transfer pricing.
 - o Discuss political risk and measures to be undertaken to mitigate political risk
 - o Discuss other non-financial risks facing foreign Direct Investment

7.1.2 Mergers and Acquisition

Learners will be able to:

- a. Assess and plan mergers and acquisitions as an alternative growth strategy by analysing:
- o Alternative types of mergers and acquisitions.
 - o Alternative mergers and growth strategies available to a firm.
 - o Merits and demerits of mergers and acquisitions as expansion strategy.

- o Qualities of an appropriate acquisition strategy.
- o Factors that determine the success of a merger or acquisition.
- b. Assess alternative valuation techniques for mergers and acquisitions by analysing:
 - o Corporate and Competitive nature of an acquisition proposal.
 - o Existence of synergies through mergers.
 - o The problem of overvaluation of the target firm.
 - o The impact of acquisition or mergers upon the risk profile of the acquirer.
 - o Growth levels of the target firm's earnings.
 - o Valuation of Type I, II, and III acquisitions.
 - o Valuation of Intangible Assets.
- c. Assess alternative financing techniques for mergers and acquisitions by analysing:
 - o Alternative approaches to financing mergers and acquisitions.
 - o An offer for Acquisition.
 - o Effect of an offer on financial position and performance.

7.1.3 Foreign Exchange Market

Learners will be able to:

- a. Assess the nature, system of operation, characteristics and functions of foreign exchange market.
- 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 Tanzanian Exchange rate policy and practices.

7.1.4 International Parity Relationship and Exchange Rate Forecasting

Learners will be able to:

- a. Examine International Parity Relationship by analysing the relationship of exchange rate and other economic variables through;
 - o 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:
 - o Alternative international investment appraisal techniques.
- b. Evaluate impact of financing on international investment decisions and adjusted present values by analysing:
 - o The impact of alternative project financing

- o 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. Discuss capital market integration and segmentation and evaluate barriers to international diversification.

7.3 Business Valuation Concepts & Application

7.3.1 Business Valuation

Learners will be able to:

- a. Evaluate and assess the value of businesses and shareholder value giving advice based on business scenarios using:
 - o Dividend yield based valuation techniques
 - o Price earnings ratio based valuation techniques
 - o Discounted cash flow based valuation techniques
 - o Asset based and net asset based measures of value
 - o Options based techniques
 - o Value based management
 - o Shareholder value analysis

- o Short and long term growth rates and terminal values
- o Economic profit methods
- o Cash flow return on investment
- o Total shareholder return
- o 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.

7.4 Financial engineering and planning

This topic will introduce learners to financial engineering and derivative products with the aim of giving them knowledge and skills to evaluate and assess financial and planning options for a business giving advice based on business scenarios including the use of futures, options, swaps and to determine their values.

7.4.1 Futures, options, swaps and forward rate agreement

Learners will be able to:

- a. Identify the various features of interest rate futures, interest rate options, interest rate forward contracts and interest rate swaps.
- b. Determine the prices of interest rate futures, interest rate options, interest rate forward contracts and interest rate swaps.
- c. Advise on 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. Evaluate and assess financial and planning options for a business giving advice based on business scenarios using exchange rate determinants and risks
- b. Evaluate and assess financial and planning options for a business giving advice based on business scenarios using Leading and lagging payment techniques, matching receipts and payments, multilateral netting and the invoicing currency method
- c. Evaluate and assess financial and planning options for a business giving advice based on business scenarios using forward contracts.
- d. Evaluate and assess financial and planning options for a business giving advice based on business scenarios using money market cover.
- e. Evaluate and assess financial and planning options for a business giving advice based on business scenarios using currency options.
- f. Evaluate and assess financial and planning options for a business giving advice based on business scenarios using Currency swaps.
- g. Evaluate and assess 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. Define 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.

7.4.4 Block chain Technology

Learners will be able to:

- a. Define Block chain.
- b. Define Cryptocurrency.
- c. Differentiate Block chain, Bitcoin and Cryptocurrency.

7.5 Managing risk

Learners will be able to:

- a. Identify and explain the financial risks of a business based on a given scenario, data and information
- b. Identify and explain three types of currency risks namely transaction, economic and translation risks of a business based on a given scenario, data and information
- c. Explain how financial instruments such as hedging and derivative products may be used to manage risks and the nature of such products
- d. Identify and explain the alternative approaches to managing interest rate exposure based on a given scenario, data and information evaluating the costs of basic hedging arrangements
- e. Identify and explain 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

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 Books

10.0 OTHER RECOMMENDED LEARNING MATERIALS

ACCA Paper P4: Advanced Financial Management: Study Texts.

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

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

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

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.

Antonopoulos, Andreas M. (2014). *Mastering Bitcoin. Unlocking Digital Cryptocurrencies*. Sebastopol, CA: O'Reilly Media. ISBN 978-1449374037. Archived from the original on 1 December 2016. Retrieved 3 November 2015.

Nakamoto, Satoshi (October 2008). "Bitcoin: A Peer-to-Peer Electronic Cash System" (PDF). bitcoin.org. Archived (PDF) from the original on 20 March 2014. Retrieved 28 April 2014.

"Permissioned Blockchains". *Explainer*. Monax. Archived from the original on 20 November 2016. Retrieved 20 November 2016.

1.0	SUBJECT CODE AND NAME:	C4: ADVANCED TAXATION
2.0	LEVEL:	FINAL LEVEL
3.0	PRE-REQUISITE SUBJECT:	B4
4.0	CONTACT HOURS:	120

5.0 SUBJECT DESCRIPTION

Advanced Taxation deepen and broaden student’s capabilities in areas of public finance and taxation, enabling them to manage Public Finance and Taxation affairs both in the public sector and in the private sector.

6.0 PRINCIPAL LEARNING OUTCOME

Apply knowledge of public finance in policy analysis and evaluation, managing the tax affairs of entities, administering compliance with tax laws for both public sector and private sector.

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. Compute corporate business income for tax purposes.
- b. Explain the general and specific rules of deductions.
- c. Describe the realization of business assets
- d. Describe depreciation allowances according to the 3rd schedule.

7.1.2. Taxation of Trusts

Learners will be able to:

- a. Explain the meaning of trust, unit trusts and trustees
- b. Discuss the taxation principles of trust and its members

7.1.3. Taxation of partnership

Learners will be able to:

- a. Explain the meaning of Partnership
- b. Explain taxation principles of partnership business

7.1.4. Corporate 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 chargeable Investment Income

7.1.5. 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. Describes 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. Describes 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 Petroleum Operations

Learners will be able to:

- a. Explain the meaning of petroleum and petroleum operations
- b. Describe general principles on taxability of petroleum operations
- c. Explain calculation rules of depreciation allowances for petroleum operations.
- d. Describe taxation rules for midstream and downstream activities

7.2.6. Taxation of Mining Operations

Learners will be able to:

- a. Explain the meaning of mining and mining operations
- b. Describe general principles on taxability of mining operations
- c. Explain calculation of rules of depreciation allowances for mining operations.
- d. Describe taxation rules for processing, smelting and refining business

7.3. International Taxation

7.3.1. Taxation of Permanent Establishments (PEs)

Learners will be able to:

- a. Discuss the rationale for permanent establishment rules in income taxation
- b. Discuss the meaning of Permanent Establishments
- c. Differentiate between domestic and foreign permanent establishment
- d. Calculate the income attributable to Permanent Establishment
- e. Calculate the repatriated income of a domestic permanent establishment
- f. Calculate tax liabilities of permanent establishments

7.3.2. Taxation of Controlled Foreign Corporations and Trusts

Learners will be able to:

- a. Discuss the meaning and rationale behind taxation rules for controlled foreign trusts and corporations
- b. Describe the principles of taxation of controlled foreign trusts and corporations and its members

7.3.3. International Double Taxation of Income

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,
- c. Explain the approaches for double taxation relief and the nature and purpose of bilateral double taxation treaties
- d. Explain main Model Tax Conventions on Double Tax Agreement
- e. Explain the general approach to interpretation of a DTA
- f. Outline the standard chapters and articles of a model DTA
- g. Explain the Stages in the life of a double tax treaty and procedures for incorporation of the treaty into domestic law
- h. Explain the relationship between tax treaties to domestic law and discuss the concept of treaty overrides
- i. Explain limitations on the use of double tax treaties by tax authorities
- j. Describe methods of eliminating Double Taxation (deduction method, exemption method, credit method)

7.3.4. 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 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)

7.3.5. Transfer Pricing

Learners will be able to:

- a. Discuss the meaning of transfer pricing
- b. Discuss the rationale for 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. Explain the basic comparability factors in the process of TP benchmarking
- f. Explain and illustrate Functional analysis
- g. Explain the provisions relating to Advance Pricing Agreement
- h. Explain the provisions relating to Safe Harbours'
- i. Outline the basic documentation requirements for transfer pricing benchmarking
- j. Describe specific transactions
 - Intra-group service
 - Intangible property

7.3.6. 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

7.3.7. Tax havens

Learners will be able to:

- a. Explain the meaning and features and uses of tax havens
- 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 the cost of tax havens to LDCs
- f. Describe 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 business

7.4.3. VAT Refunds

Learners will be able to:

- a. Describe the circumstances for 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 due date for payment
- c. Explain the procedures for payment of Income tax by quarterly instalments
- d. Calculate Interest for Under Estimating Tax Payable and failure to pay tax

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 Tax Revenue Appeals system in Tanzania

7.6. Tax Reforms

7.6.1. Recent Reforms of major tax laws (Income Tax, Tax Administration and VAT) in the Tanzanian Taxation System

Learners will be able to:

Discuss tax reforms made within the last 12 months

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 (2019). 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.

Ongwamuhana, K. (2011). Tax compliance in Tanzania: Analysis of law and Policy Affecting Taxpayer Compliance. Mkuki na Nyota Publishers. Dare-es-salaam.

Luoga, F.D. A. (2000). A Source book of Income Tax Law in Tanzania. Dup (1996) Ltd, Dar-es-salaam.

The United Republic of Tanzania, VAT Act 2014, Government Printers, Dar- es-salaam -Revised edition

The United Republic of Tanzania (2004), Income Tax Act 2004, The Tax Administration Act 2015, Revised Edition.

The Income Tax Regulation 2004

The Value Added Tax Regulation 2015

The Tax Administration Regulation 2018

Government Printers, Dar-es-salaam-Revised edition

East African Community (R.E 2011), Customs Management Act, 2011, Government Printers, Dar-es-salaam

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 2nd ed), New Delhi India: Taxmann Allied Services (P) Ltd,

Holmes,K. (2011),International Tax Policy and Double Tax Treaties - an Introduction to Principles and Application. London, England: Thomson Reuters.

Goode Roy, Kronke H, Mckendrick E and Wool J. (2004),

Transactional Commercial Law : International Instruments and Commentary, New York, NY: Oxford University Press

Lang, M. (2000) Tax Treaty Interpretation, Brussels, Eu: Aspen Publication

OECD, (2008), OECD, Model Tax Convention on Income and on Capital, Australian Tax Forum, A Journal of Taxation Policy, Law and Reform, Volume 22, Number 1, 2007, Taxation Institute of Australia 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/G201 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

