



SYLLABUS 2019

Wherever you want to go
with your career CPA Ireland
can help you get there

The Institute of Certified Public Accountants in Ireland



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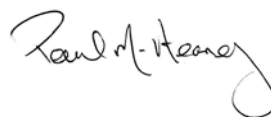
CPA Ireland Syllabus Introduction

The key attribute the marketplace now seeks in a professional accountant is the ability to influence business at a strategic level. This competency based syllabus is tailored to meet that need. It positions newly qualified Certified Public Accountants (CPAs) as team players with all the essential technical skills and capacity to operate at a strategic level, capable of understanding and contributing towards every facet of business including entrepreneurial activity, practice and public service. The CPA Ireland Syllabus balances an appropriate emphasis on strategy, ethics and governance with the fundamental components of auditing, taxation, finance and performance reporting.

In recognition of the diverse range of rewarding and exciting career opportunities available to professional accountants, this syllabus provides students with options, in the final year of studies, to tailor the CPA Ireland qualification to their chosen career paths. Selecting from a number of pre-qualification specialisms, those students who intend working in public practice can specialise in areas such as auditing and tax while those with a preference for industry focus on strategic performance management.

The CPA Ireland syllabus, a rigorous training process and a commitment to life-long learning are all designed to ensure that CPAs will retain and enhance their valued position in the market place and continue to contribute to the development of business, society at large and the accountancy profession both nationally and internationally.

Thank you for your interest in this syllabus. Should you require any further information, the Institute shall be pleased to assist you.



Paul Heaney FCPA Director;
Education & Training,
CPA Ireland

THE EXAMINATION SYSTEM

CPA - CAREER MOVE WORTH MAKING

The CPA Ireland qualification is competency-based. Both this Syllabus of Examination and the CPA Ireland education and training programme are underpinned by the CPA Ireland Competency Profile, which has resulted from the Institute's research into what makes accountants effective at strategic level in business and in practice. The Profile specifies two dimensions: the range of knowledge/skills needed by CPAs and the depth of expertise required. It also defines the personal attributes essential for the delivery of professional services to the highest international standards.

Prior to qualification, these are acquired by CPA Ireland students through an examination syllabus and a defined training regime. Post-qualification, further development occurs through a mandatory Continuing Professional Development (CPD) programme and exposure to more complex work situations.

This approach is of increased relevance because in the modern business environment there are ever more demanding expectations of what is required from a professional accountant. These arise, in part, from the rapidly changing business landscape, business innovation, advances in technology, greater exposure to ethical challenges, complex regulation, increased volume and complexity of standards, globalisation, commitment to lifelong learning and more diverse education and learning opportunities.

All Certified Public Accountants, regardless of when qualified, will be distinguishable by their ethical values, professionalism and ability to work effectively with people. Such behavioural attributes fall into three categories:

1. Professionalism and Personal Ethical Standards (covering the areas of values and objectivity).
2. Sensitivity to Business Needs (covering how CPAs view and interact with the business environment).
3. Interpersonal Effectiveness (covering how CPAs work with others to add value).
4. In summary, the effectiveness of Certified Public Accountants is achieved through the integration of a robust education and examination process with a rigorous, supervised training programme.

Integration with the Training Process

The integration and interdependence of learning across subjects is now more explicitly highlighted than heretofore. The syllabus for each subject shows in a diagram how these linkages occur. Other features of the education and training processes are:

The learning outcomes are specified in the syllabus for each subject.

The Competency Profile details the competencies required of an entry level Certified Public Accountant. Many of the competencies required of an entry-level accountant are assessed through the examination process.

Other competencies, by their nature, may be evaluated only in the work place through a supervised training regime. These may include non-technical competencies such as team working, leadership, effective communication skills and problem-solving capabilities.

The development of professional values, ethics and attitudes is an intrinsic and visible part of the education and training processes.

Recognition

This syllabus complies with the examination requirements of the European Union governing the approval of persons responsible for carrying out the statutory audits of accounting documents. The CPA Ireland qualification is also included in the Mutual Recognition Directive, giving CPAs access to the profession in other EU member states subject to an aptitude test in local law, taxation and language. CPA Ireland is a founding member of the International Federation of Accountants (IFAC) and the CPA Ireland syllabus supports the Educational Standards & Guidelines issued by IFAC.

The Institute also has mutual recognition agreements with CPA Australia, CGA-Canada, the Institute of Chartered Accountants India, the Institute of Chartered Accountants of Bangladesh and is statutorily recognised as an approved body of auditors in New Zealand. CPA Ireland also has signed Memorandums of Understanding with CPA Rwanda, CPA Zimbabwe, the Lithuanian Chamber of Auditors, CPA Bulgaria, CPA Sri Lanka and the Association of National Accountants of Nigeria (ANAN).

Assessment Methods

CPA Ireland students develop the required competencies through an integrated process of practical training and education, both of which have an assessment component. The adequate demonstration of competence on the job is formally attested to by training supervisors/mentors through the sign-off requirement in the training regime. The education element is assessed through computer-based examinations at the Formation 1 Stage and written examinations at the subsequent stages. The Assessment Strategy section within each syllabus details the examination approach, examination format and marks allocation. Mini case studies are introduced at the Formation 2 Stage. Questions are designed to examine students' performance with reference to real working environments.

Examination Structure

There are four stages of examinations:

Formation 1 (F1)

Formation 2 (F2)

Professional 1 (P1), and

Professional 2 (P2).

The subjects at each stage are shown in Figure 1.

Open Book Exams at Professional 2 Stage

At Professional 2 Stage, assessment is by open-book examinations of 3.5 hours' duration. Case studies are unseen by students prior to the examination.

Choice

CPA Ireland students at P2 Stage tailor the qualification to their chosen career path. In addition to two mandatory subjects shown in Figure 1, Advanced Corporate Reporting and Strategy & Leadership, they choose two from four elective subjects. Students

wishing to pursue a career in industry, in most instances, will elect for the Strategic Performance Management and Strategic Corporate Finance subjects in addition to the two mandatory subjects.

N.B. All students at P2 must sit and pass the two mandatory subjects plus two of the elective subjects. Students not intending to qualify for a practising certificate may choose to sit and pass any two of the four electives subjects. All students intending to subsequently qualify and apply for a practising certificate must sit and pass the Taxation subject and one of the other three electives subjects. All students wishing to qualify and apply for a Practising Certificate with Audit Qualification must sit and pass both the Auditing and Taxation elective subjects. There are other requirements that must be satisfied in order to obtain a practising certificate, details of which are available on the CPA Ireland website www.cpaireland.ie.

Progression Through the Examination Process

The Institute's Examination Regulations are available for consultation and / or download at www.cpaireland.ie. Some, but not all, of the key points relevant to each examination stage follow:

F1

Students at the F1 Stage have six diets of examinations in which to pass each individual subject. All subjects at the F1 Stage must be passed within three years before a student may progress to the F2 Stage.

F2, P1 and P2

Students are granted a maximum of four consecutive examination diets, within two years, to pass each examination stage, and

If unsuccessful within the specified period, they may not recommence that stage or progress to the next stage.

Have eight years to successfully complete all their examinations up to and including P2 from when they commenced the F2 Stage.

Figure 1

Stage	Subject	Stage	Subject
F1	Management in Organisation Economics and Business Planning Business Laws & Professional Ethics	P1	Managerial Finance Corporate Reporting Corporate Laws and Governance Auditing
F2	Management Accounting Financial Accounting Information Systems Taxation	P2	Strategy & Leadership (Mandatory subject) Audit Practice and Assurance Services (Elective subject) Advanced Corporate Reporting (Mandatory subject) Strategic Corporate Finance (Elective subject) Strategic Performance Management (Elective subject) Advanced Taxation (Elective subject)

Gap Year, F2 to P2

Students, subject to satisfying the Examination Regulations requirements, may take a gap year between examination stages.

Combined Examination Sitzings at the F2 and P1 Stages

Students, who upon registration as a student with the Institute, who were granted an exemption from an examination in at least one subject at either the F2 or P1 Stage may elect to combine examinations at both of these stages in the same diet of examinations. The following rules apply to Combined F2 and P1 sittings:

1. A maximum of four subjects may be taken in any diet of examinations. There is no lower limit.
2. Once a subject has been sat, it must be passed within the four available consecutive sittings, inclusive of the first sitting.
3. The combined F2 and P1 Stage must be passed within eight available consecutive sittings, inclusive of the first sitting.

4. F2 Management Accounting must be passed or have had an exemption granted before a student may apply to sit the P1 Managerial Finance examination.
5. F2 Financial Accounting must be passed or have had an exemption granted before a student may apply to sit the P1 Corporate Reporting examination.

The Examination Regulations published on the CPA Ireland website www.cpaireland.ie provide the necessary information about combining examinations at the F2 and P1 stages.

Modular System

Students may sit examinations on a modular basis within each stage and in any order. The F2 Stage examinations may only be attempted after the F1 Stage examinations have been completed and passed. Unless eligible to combine examinations at the F2 and P1 Stages, as explained above, the P1 Stage examinations may only be attempted once the F2 Stage examinations have been completed and passed. The P2 Stage examinations may only be attempted once the P1 Stage examinations have been completed and passed. Students have a maximum of six consecutive sittings inclusive of the first sitting to pass the examinations at the F1 Stage. A maximum of four consecutive sittings, inclusive of the first sitting, is available to students to pass each of the F2 to P2 stages.

Exemptions

Exemptions from some of the Institute's examinations may be granted to applicants who have already passed equivalent examinations. These are granted on a subject-for-subject basis. Details are available on the Institute's website www.cpaireland.ie.

Competency Levels

Each topic in each subject is assigned a competency level. Three levels are defined and these are referenced to the intellectual skills listed in the International Education Standard 3 issued by the International Federation of Accountants (IFAC). Questions and case-study scenarios in the Professional Stage examinations are framed so as to examine the learning outcomes with reference to real working environments. Where appropriate, the same approach is adopted in the examinations in the Formation Stages.

The three competency levels are grouped in ascending order:

1. Knowledge and Understanding (Ability to locate and acquire knowledge).
2. Application and Analysis (The ability to apply knowledge and understanding effectively to the analysis of complex and unfamiliar situations).
3. Synthesis and Evaluation (The ability to integrate knowledge with sound judgment in the critical evaluation of situations to develop creative solutions).

In general, Level 3 is the predominant level for subjects at P2 Stage, with students having progressed through levels 1 and 2 in the previous stages of the syllabus. The balance shifts to higher levels as students progress through the syllabus. This is not an absolute, as higher-level competencies are also required for some topics in the earlier stages of the syllabus and lower levels for some topics at the P2 Stage.

The above progression is reflected in the competency levels demonstrated in the workplace and assessed through the training process. Students learn to apply their knowledge and skills through a learning spiral which blends formal study with supervised training. This results in the demonstration of greater competency at work, leading to exposure to more complex tasks which develop critical analysis and judgment skills.

Booklists and Study Materials

Suggested reading material is listed for each subject. A wide range of appropriate reading and web-based material available in all subjects has been carefully considered. The list of learning resources will be updated when necessary and students will be informed of such amendments. Students are advised to acquire the recommended books which will be invaluable during study and will form the basis of a personal library after qualification. The value of a wide reading of books, journals, web-based research and Technical Standards as a further extension of knowledge is emphasised, as the learning resource list is not intended to be exhaustive. It is important to obtain the latest editions, where recommended. At Professional examination stages there is a requirement to demonstrate knowledge of relevant current developments. The syllabus does not necessarily set the boundary of knowledge required, students are expected to read widely from the financial press, periodicals, Accountancy Plus, (the official journal of the Institute), Student eBulletins, web based resources and other professional journals.

Additionally, specific academic texts, current research papers and learned journals are recommended to students preparing for the P2 Stage examinations. Details of these, including additions and/or revisions, are posted to the Syllabus and Exams area of the Institute's website each October.

Past Examination Papers and Suggested Solutions.

The Institute publishes past examination papers and suggested solutions on the CPA Ireland website. These are freely available for download.

New Legislation - the Six Months Rule

Questions involving the knowledge and application of new legislation are not asked within six months of enactment of the relevant legislation. Unless advised in the Examable Material Document this rule applies to the publication by the Institute of technical pronouncements on accounting, auditing and taxation.

Examinable Material Document

The Examinable Material Document showing which technical standards are examinable at each level in Accounting and Auditing is located on pages 92 to 99.

Special Types of Accounts

Questions requiring specialised detailed knowledge are not set regarding the accounts of insurance companies, shipping companies and building societies.

Case Law

Students are expected to have an understanding of and the ability to apply, as appropriate, the decisions of case law in the relevant subjects.

Calculators, Logarithm Tables and Templates

The use of calculators is permitted, provided they are not mains operated or do not have a print out facility or do not store text. Mobile phones or smart watches may not be used as calculators. Logarithm tables are available on request. Use of templates for flow charting etc. is allowed.

Open Book Exams

All the examinations at the P2 Stage are 'open book'. Candidates may bring to the examination any printed / written materials. The Examination Regulations contain more information on this.

Taxation

Students are expected to demonstrate in papers, other than the stated taxation papers, the implications of taxation in such matters as investment appraisal, preparation of accounts etc. They are not required to memorise the various taxation allowances, which are provided (if necessary) at the examination.

Financial Accounting Papers

In Financial Accounting examinations 'pro forma' Statements of Profit or Loss and other Comprehensive Income and Statements of Financial Position are issued, where necessary.

Case Studies

At the professional examination stages examiners test students on their ability to:

1. Present well-structured written reports
2. Critically analyse problems and suggest appropriate solutions
3. Evaluate alternative courses of action and make recommendations
4. Integrate knowledge across different subject areas.

Students may expect questions presented in case-study format to test these important skills and competencies.

Amendments to the Syllabus

The Institute reserves the right to decide on amendments to the syllabus between annual publication dates. Such amendments will be published in *AccountancyPlus* (the official journal of the Institute) and on the CPA Ireland website.

Examination Regulations

The examination regulations for students are set out on the Institute's website www.cpaireland.ie. All students must read, understand and abide by these. Clarification on any aspect of these regulations may be obtained from the Institute's Examinations Executive.

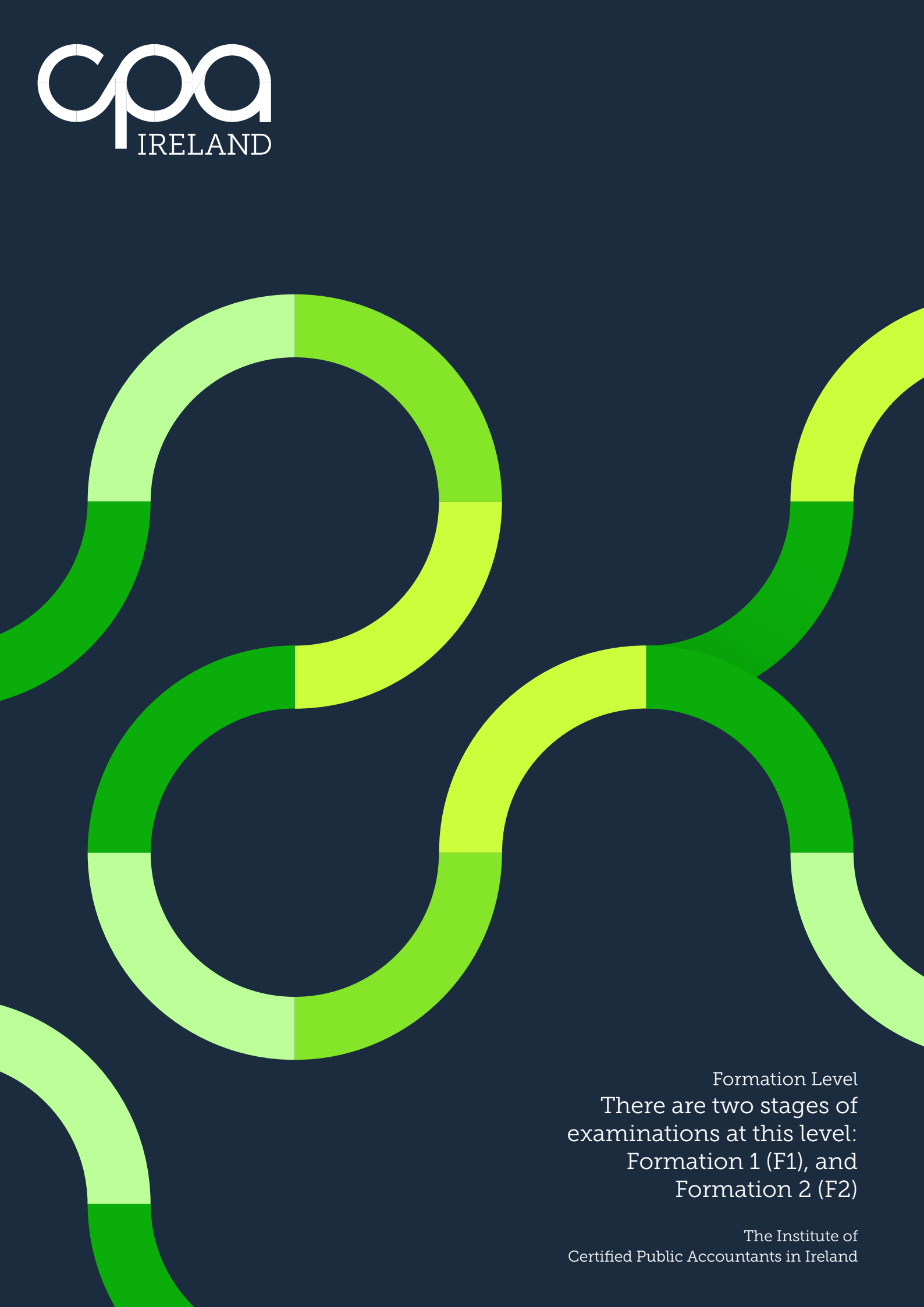
How the Institute communicates with students

To help students achieve their full potential, the Institute operates an "Open Door" policy in dealing with queries and specific problems encountered by students. Annually, a representative from the Institute visits students attending courses in the approved centres of education. These visits give students an opportunity to communicate their views directly to the Institute. Post-examination feedback is sought from students twice yearly, through the online examView process and

reviewed by the Education and Training Committee before examination results are finalised.

At the commencement of each academic year, the Institute operates a process (the Educators Briefing) through which examiners give feedback to approved CPA Educators on examination performance issues and outline the education priorities for the coming year. A summary of these is then published on the CPA website. The Institute believes that this is an important line of communication and an effective way to give direction and support to all educators.

An annual Educators' Conference is also held. Approved CPA educators are invited to attend, along with examiners, moderators, members of the Institute's Education and Training Committee and representatives from the Education and Training Department. The main purpose is to align the education and examination processes so as to facilitate the development of the CPA Ireland student.

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Formation Level
There are two stages of
examinations at this level:
Formation 1 (F1), and
Formation 2 (F2)

The Institute of
Certified Public Accountants in Ireland

STAGE: FORMATION 1

Subject Title:

MANAGEMENT IN ORGANISATIONS

Examination Duration: 2 Hours

Aim

The aim of this subject is to introduce students to the development of management theory and practice, with particular reference to concepts,

functions and the integration of activities. Students will learn about the environmental factors which influence the success of an organisation, and

explore the role of critical and creative thinking in problem solving and decision making. Current issues in management will be discussed, including

business ethics and corporate social responsibility.

Management in Organisations as an Integral Part of the Syllabus

The principles, concepts and practice provided forms the basis for the subsequent study of subjects such as Information Systems, Management Accounting, Corporate Laws and Governance, Managerial Finance, Strategy and Leadership and Strategic Performance Management.

Stage	Subject	Subject	Subject	Subject	Subject	Subject
P2	Strategic Corporate Finance	Strategic Performance Management	Advanced Corporate Reporting	Strategy & Leadership	Audit Practice and Assurance Services	Advanced Taxation
P1		Managerial Finance	Corporate Reporting	Corporate Laws and Governance	Auditing	
F2		Management Accounting	Financial Accounting	Information Systems	Taxation	
F1			Management in Organisations	Economics and Business Planning	Business Law and Professional Ethics	

The above table shows the linkages between Management in Organisations and the subjects highlighted.

Learning Outcomes

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

- Explain the evolution of management theory in the context of recent developments, ethical principles and corporate social responsibility.
- Identify the principles and practices of organisation design, structure and behaviour, and the implications for leadership and employee morale.
- Explain the conditions and requirements necessary for effective internal and external communication.
- Distinguish the role, functions and impact of human resource management within an organisation.
- Illustrate the nature and impact of environmental factors on an organisation, and illustrate how critical and creative thinking may be used in problem solving and decision making.

Syllabus

1: DEVELOPMENT OF MANAGEMENT THEORY AND PRACTICE: Weighting 15%	CL
Schools of management thought and their inter-relationship.	1
Economic, social, political and technological factors which affect business and other organisations.	1
Ethical principles and corporate social responsibility in management practice.	2
2: ORGANISATION STRUCTURES AND BEHAVIOUR: Weighting 20%	
Purpose and nature of organisation structures.	2
Organisation design and development.	2
Organisational culture and change.	1
Group dynamics.	1

Integration of managerial roles and functions within an organisation.	1
Leadership and motivation.	1
Personal effectiveness and self direction.	2
3: EFFECTIVE COMMUNICATION: Weighting 20%	
Principles of successful communication.	2
Verbal and non-verbal communication.	2
Effective listening.	2
Cross-cultural aspects of communication.	2
Barriers to effective communication.	2
Roles and conduct at meetings.	2
Public relations.	1
Communication channels, including social media.	2
4: HUMAN RESOURCE MANAGEMENT: Weighting 20%	
Evolution of human resource management.	2
Human resource management functions including staff recruitment, selection, training, development and appraisal.	2
Job design and job evaluation.	1
Change management and employee morale.	1
Discipline and grievance procedures.	2
Employer and employee representation.	1
Developing and supporting a learning culture.	1

5: PROBLEM SOLVING AND DECISION MAKING IN MANAGEMENT: Weighting 25%

Approaches to managerial problems and decisions.	2
Critical and creative thinking definitions and components.	1
Qualities of critical and innovative thinkers.	1
Socratic questioning, intellectual integrity, objectivity and subjectivity within the thinking process.	2
Applications of critical and innovative approaches to problem solving and decision making in management.	2
Current issues in management practice.	1

Assessment Strategy

EXAMINATION APPROACH

Students are required to demonstrate a knowledge and understanding of the environmental factors which influence the success of an organisation, and the role of critical and creative thinking in problem solving and decision making. Current issues in management will be assessed including ethical considerations and corporate social responsibility.

EXAMINATION FORMAT

The examination is computer-based, closed-book and 2.0 hours in duration. Students are presented with 50 questions, each of which should be answered Marks Allocation. Each question carries 2 marks. The total for the assessment is 100 marks, with a minimum of 50 marks required for the attainment of a pass standard.

Learning Resources

CORE TEXTS

Tiernan, Morley and Foley / Modern Management, Theory & Practice for Irish Students / 4th ed. 2013 / Gill and Macmillan / ISBN-13: 978-0717156320

MANUALS

Griffith College CPA Skillnet Management in Organisations - Latest edition

SUPPLEMENTARY TEXTS AND JOURNALS

Mullins / Management and Organisational Behaviour 11th Edition / Pearson / ISBN-13: 978-1292088488.

Gunnigle G., Heraty N., Morley M., / Human Resource Management in Ireland/ 4th Edition (2011) / Gill and Macmillan / ISBN-13: 9780717149797.

Daft / New Era of Management, International 11th Edition / Cengage 2012 / ISBN-13: 978-1285068770

AccountancyPlus.

CPA Students' eBulletin.

USEFUL WEBSITES (AS AT DATE OF PUBLICATION)

www.cpaireland.ie - CPA Ireland.

www.strategy-business.com - Strategy + Business.

www.strategyanalytics.com - Strategy Analytics.

STAGE: FORMATION 1

Subject Title:

ECONOMICS AND BUSINESS PLANNING

Examination Duration: 2 Hours

Aim

The aim of this subject is to introduce students to the nature and scope of economics and related business planning, with a focus on the practical application of theoretical concepts. Students will examine how national and international factors impact upon wealth creation and business development. The key objectives of economic policy will be considered, while the uses of analytical techniques and mathematical approaches for business planning will also be explored.

Economics and Business Planning as an Integral Part of the Syllabus

A knowledge of economics and business planning is an essential foundation for a career in accountancy and business. This subject will enable students acquire knowledge and develop skills related to economic theory, business planning and associated applications across a range of environments. The subject is particularly relevant for subsequent learning in Management Accounting, Managerial Finance, Strategic Performance Management, Strategic Corporate Finance, and Strategy and, Leadership.

Stage	Subject	Subject	Subject	Subject	Subject	Subject
P2	Strategic Corporate Finance	Strategic Performance Management	Advanced Corporate Reporting	Strategy & Leadership	Audit Practice and Assurance Services	Advanced Taxation
P1		Managerial Finance	Corporate Reporting	Corporate Laws and Governance	Auditing	
F2		Management Accounting	Financial Accounting	Information Systems	Taxation	
F1			Management in Organisations	Economics and Business Planning	Business Law and Professional Ethics	

The above table shows the linkages between Economics and Business Planning and the subjects highlighted.

Learning Outcomes

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

Demonstrate a knowledge and understanding of micro and macro economic theory and related applications.

Compare different market structures and circumstances, and describe the main features and implications of each.

Identify the external factors, issues and agencies which influence and help determine the outcome of economic and business policies.

Explain how marketing and sales activities contribute to the attainment of strategic organisational objectives.

Illustrate how analytical techniques and mathematical approaches may be used in economic policy and business decision making.

Present, interpret and explain economic and business data.

Syllabus

1: NATURE AND SCOPE OF ECONOMICS: Weighting 25%	CL*
Development of economic theory and practice.	1
Economic principles and concepts.	1
Language of economics.	1
Supply, demand and price determination.	2
Market systems and the allocation of scarce resources.	2
Market structures, including - Perfect Competition, Imperfect Competition, Oligopoly, Monopoly, Monopsony.	2
Elasticities of supply and demand.	2
Concept of equilibrium.	1
Long-run and short-run cost factors.	1

Economies and diseconomies of scale.	2
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2: MACROECONOMIC THEORY AND PRACTICE: Weighting 25%

The macroeconomic environment.	1
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Government policies, objectives and instruments	1
---	---

National Income Accounting.	2
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Determination of GDP and GNP.	
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National income multiplier and the accelerator	2
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Unemployment, inflation, recession and growth.	2
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Keynesian theory and subsequent developments.	1
---	---

Aggregate demand and the circular flow of income.	2
---	---

Fiscal and monetary policies and practices. Servicing the national debt.	1
--	---

Monetary systems and currencies.	1
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Exchange rates, interest rates, credit control and availability. The role of Central Banks, the World Bank, IMF and other agencies.	
---	--

International trade and comparative advantage.	1
--	---

Balance of trade and balance of payments.	1
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EU economic institutions and policies.	1
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Economic growth and welfare.	1
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Current macroeconomic issues.	1
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3: BUSINESS PLANNING AND ANALYSIS: 50%

The growth and development of the organisation.	2
National and international business environments	2
Strategic and tactical planning	1
Sources of finance for business development	1
Decision making, profit maximisation and other considerations.	2
Goal and target setting	1
Marketing and sales concepts, roles and functions	1
Market planning and analysis,	1
Influences on consumer behaviour.	1
The marketing mix	1
Services marketing	1
Environmental, cultural and technological factors in marketing and sales	1
Quantitative and qualitative research	1
Sales techniques and influences	1
Ethical behaviour in marketing and selling.	1
Analytical techniques	2
Moving averages and regression analysis.	2
Measures of central tendency and dispersion. Mean, median, mode, and standard deviation.	2

Probability, sampling, statistical inference and hypothesis testing. 2

Graphical and pictorial presentation of economic and related data. The compilation, interpretation and use of bar charts, histograms, pie charts, frequency distributions, graphs and tables. 2

Assessment Strategy

EXAMINATION APPROACH

Students are required to demonstrate a knowledge and understanding of applied economics and the skills of analysis relevant to business and other organisations in the context of the role of the professional accountant.

EXAMINATION FORMAT

The examination is computer-based, closed-book and 2.0 hours in duration. Students are presented with 50 questions, each of which should be answered.

MARKS ALLOCATION

Each question carries 2 marks. The total for the examination is 100 marks, with a minimum of 50 marks required for the attainment of a pass standard.

Booklist

CORE TEXTS

Turley, Moloney and O'Toole / Principles of Economics / (Gill & Macmillan 4th ed. 2011 / ISBN-13: 978-0717149889.

Francis / Business Mathematics and Statistics / Cengage 6th ed. Revised/ ISBN-13: 978-0826454102.

Brassington and Pettitt / Essentials of Marketing / Pearson / 3rd ed. 2014 / ISBN13: 978-1292063881.

MANUALS

Griffith College CPA Skillnet Economics and Business Planning - Latest edition

SUPPLEMENTARY TEXTS AND JOURNALS

David Begg / Economics for Business / (McGraw-Hill 2012) / ISBN-13:978-0077139452.

McDowell, Thom, Frank & Bernanke. / Principles of Economics, (European Edition) / McGraw-Hill 2012 3rd Edition / ISBN-13: 978-0077132736.

Oakshott / Essential Quantitative Methods for Business, Management and Finance, 6th Edition / Palgrave MacMillan (2016) / ISBN-13: 978-1137518552.

Jobber, Ellis-Chadwick/ Principles and Practice of Marketing / McGraw-Hill 2016 8th Edition Revised / ISBN-13: 978-0077174149.

Kotler, Keller / Marketing Management / 15th Edition / Pearson (2015) / ISBN-13: 978-1292092621.

AccountancyPlus

CPA Students' eBulletin

USEFUL WEBSITES (AS AT DATE OF PUBLICATION)

www.cpaireland.ie - CPA Ireland

www.centralbank.ie - Central Bank of Ireland

www.finance.gov.ie - Department of Finance

www.cso.ie – The Central Statistics Office

www.esri.ie - Economics and Social Research Institute

www.ecb.europa.eu/home - European Central Bank

www.europa.eu/ - European Union

www.imf.org – International Monetary Fund

www.ibec.ie – Irish Business and Employers Confederation

www.neweconomics.org/ - New Economics Forum

<http://home.ubalt.edu/ntsbarsh/Business-stat/opre504.htm> - Professor Hossein Arsham's,(FOR, FRSS, FWIF), Statistical Thinking for Managerial Decisions.

STAGE: FORMATION 1

Subject Title :

BUSINESS LAW AND PROFESSIONAL ETHICS

Examination Duration: 2 Hours

Aim

The aim of this subject is to enable students to become familiar with the principles and practice of business law and case law relating to the role and work of an accountant. They will also explore the ethical standards necessary for a career in professional accountancy and develop the ability to identify when the engagement of a legal expert is required.

Business Law and Professional Ethics as an Integral Part of the Syllabus

A knowledge and understanding of legal and ethical principles and practice is relevant for students throughout the field of professional accountancy studies. In particular, Business Law and Professional Ethics forms the basis for the study of Corporate Laws and Governance.

The content of the syllabus provides a firm foundation for subsequent study in the areas of Auditing, Audit Practice and Assurance Services, Financial Accounting, Corporate Reporting, Advanced Corporate Reporting and Strategy and Leadership.

Stage	Subject	Subject	Subject	Subject	Subject	Subject
P2	Strategic Corporate Finance	Strategic Performance Management	Advanced Corporate Reporting	Strategy & Leadership	Audit Practice and Assurance Services	Advanced Taxation
P1		Managerial Finance	Corporate Reporting	Corporate Laws and Governance	Auditing	
F2		Management Accounting	Financial Accounting	Information Systems	Taxation	
F1			Management in Organisations	Economics and Business Planning	Business Law and Professional Ethics	

The above table shows the linkages between Business Law and Professional Ethics and the subjects highlighted.

Learning Outcomes

On successful completion of this subject students should be able to:

- Distinguish between the sources of law, both domestic and EU.
- Explain the principles and applications of the law of torts and the sale of goods and supply of services legislation.
- Interpret contract law including the law relating to the employment contract.
- Identify and describe aspects of law relating to negotiable instruments.
- Demonstrate the application of elements of company and partnership law in relation to how business entities and partnerships are formed and structured, and describe their commercial relationships.
- Explain the relevance of the CPA Code of Ethics for students, members of the Institute and other stakeholders.

Syllabus

1: INTRODUCTION: Weighting 10%	CL*
The sources of law; common law and equity, judicial precedent and case law, statute law, the Constitution and European Union (EU) law.	2
The legal system in operation – doctrine of separation of powers, basic institutions of the State, the requirements of natural and Constitutional justice, structure of the courts, civil and criminal divisions, solicitor/barrister relationship, functions of the Attorney General and the Director of Public Prosecutions, interpretation of statutes.	2
EU Law –the treaties, institutions of the Union. Regulations, directives, decisions, recommendations, opinions and competition law.	1

2: LAW OF TORTS: Weighting 10%

Principles.	2
Types of tort – defamation, nuisance, negligence, professional negligence, conversion, passing off, data protection legislation, product liability and the defective products legislation. .	1
Remedies	1

3: CONTRACT: Weighting 30%

Formation of a contract – agreement, including offer (versus invitation to treat) and acceptance, intention to create legal relations, consideration, evidentiary requirements, third party rights, including privity of contract and assignment.	1
Content of a contract – what is a term, distinction between terms and mere representations, sources of terms, the parol evidence rule, classification of terms, exclusion clauses.	1
Misrepresentation, mistake, illegality, duress, undue influence, unconscionable bargains, capacity.	1
Performance, discharge and remedies for breach of contract.	1
Employment contracts – contract for / of services. Rights and duties of employers and employees.	1

4: SALE OF GOODS AND SUPPLY OF SERVICES: Weighting 10%

Defining and distinguishing sales contracts.	2
Credit sales, hire purchase and lease.	1
Terms of the contract.	1
The duties of the parties.	1

4: SALE OF GOODS AND SUPPLY OF SERVICES: Weighting 10%

Remedies.	1
Product guarantees, after sales services and product liability.	1
Passing of property.	1
Passing of risk.	1
Title conflicts.	1
Contracts for the supply of services.	2
Relevant legislation.	2

5: NEGOTIABLE INSTRUMENTS: Weighting 10%

Negotiable Instruments.	1
Bills of Exchange.	1
Cheques.	1
Promissory Notes.	1
Bank Drafts.	1

6: COMPANY AND PARTNERSHIP LAW: Weighting 15%

Introduction to companies and other forms of business organisation, the development of company law in Ireland, Irish company law and EU law.	1
Characteristics of companies - their classifications, how a company is formed, commencement of a business.	1
Formation of partnerships. Types of partners and liability.	1

6: COMPANY AND PARTNERSHIP LAW: Weighting 15%

Dissolution of partnerships and priority of debts on dissolution. 1

7: PROFESSIONAL ETHICS: Weighting 15%

CPA Code of Ethics. 1

Ethical Standard for Auditors (Ireland) 2016 1

Ethical Dilemmas – CCAB Case Studies 1
Professional accountants in business
Cases 1 to 3.
Professional accountants in public practice
– Cases 2, 4 and 6.
Professional accountants working in the
voluntary sector - Cases 1, 5 and 6.

Assessment Strategy**EXAMINATION APPROACH**

Students are required to demonstrate appropriate knowledge of legal principles and concepts, case law, legislative provisions and the ethical framework relevant to business and other organisations in the context of the role of the professional accountant.

EXAMINATION FORMAT

The examination is computer-based, closed-book and 2.0 hours in duration. Students are presented with 50 questions, each of which should be answered.

MARKS ALLOCATION

Each question carries 2 marks. The total for the examination is 100 marks, with a minimum of 50 marks required for the attainment of a pass standard.

Booklist

CORE TEXTS

Keenan / Essentials of Irish Business Law 6th edition
2012 / Gill and Macmillan / ISBN-13: 978-0717152612.

McDonnell, Vaeni/ An Introduction to Business Law/
2nd edition/ 2015 / ISBN-13: 978-1910374337

MANUALS

Griffith College CPA Skillnet Business Law and
Professional Ethics - Latest edition.

SUPPLEMENTARY TEXTS

Byrne & McCutcheon / Irish Legal System, 6th edition /
Tottel / ISBN-13:978-1780435008.

Enright / Principles of Contract Law / Clarus Press 2007
/ ISBN-13: 978-1905536108

White / Commercial Law / Round Hall Press 2012 /
ISBN-13: 978-1858006321.

Keane / Company Law, 5th Edition/ Bloomsbury
Professional 2016 / ISBN-13: 978-1780435428.

CPA Students' eBulletin

CPA AccountancyPlus

USEFUL WEBSITES (AS AT DATE OF PUBLICATION)

www.cpaireland.ie - CPA Ireland.

www.irishstatutebook.ie - Irish Statute Book – Office of
the Attorney General.

www.cro.ie - Companies Registration Office.

www.clrg.org - Company Law Review Group.

www.lawreform.ie - The Law Reform Commission.

www.courts.ie - Irish Courts Service.

www.consumerhelp.ie - Office of The Director of
Consumer Affairs.

www.ifac.org – The International Federation of
Accountants.

www.ccab.org.uk/reports.php - CCAB (publications
page).

STAGE: FORMATION 2

Subject Title:

MANAGEMENT ACCOUNTING

Examination Duration: 3 Hours

Aim

The aim of this subject is to ensure that students develop a knowledge and understanding of the various cost accounting principles, concepts and techniques appropriate for planning, decision making and control and the ability to apply these techniques in the generation of management accounting reports

Management Accounting as an Integral Part of the Syllabus

This subject develops in students an understanding of how management accounting plays an integral part in the modern commercial environment, supporting entrepreneurial activities in both growing and established entities. It provides an essential foundation in the study of cost and management accounting and is a necessary prerequisite to the later studies in *Managerial Finance*, *Strategic Performance Management*, *Strategic Corporate Finance* and *Strategy & Leadership*.

Stage	Subject	Subject	Subject	Subject	Subject	Subject
P2	Strategic Corporate Finance	Strategic Performance Management	Advanced Corporate Reporting	Strategy & Leadership	Audit Practice and Assurance Services	Advanced Taxation
P1		Managerial Finance	Corporate Reporting	Corporate Laws and Governance	Auditing	
F2		Management Accounting	Financial Accounting	Information Systems	Taxation	
F1			Management in Organisations	Economics and Business Planning	Business Law and Professional Ethics	

The above table shows the linkages between *Business Management Accounting* and the subjects highlighted. The capabilities developed will be built upon in the study of the subjects highlighted above.

Learning Outcomes

On successful completion of this subject students should be able to:

- Explain the relative strengths and weaknesses of alternative cost accumulation methods and discuss the value of management accounting information.
- Calculate unit costs, applying overhead, using both absorption costing and activity-based costing principles.
- Apportion and allocate costs to units of production in job, batch and process costing systems, for the purpose of inventory valuation and profit measurement.
- Identify and explain cost behaviour patterns and apply cost-volume profit analysis.
- Define and use relevant costs in a range of decision-making situations.
- Prepare and present budgets for planning, control and decision making.
- Compute, interpret and investigate variances.
- Demonstrate communication skills, including the ability to present quantitative and qualitative information, together with analysis, argument and commentary, in a form appropriate to the intended audience.

Syllabus

1: THE ROLE OF THE MANAGEMENT ACCOUNTANT	CL*
The nature and scope of management accounting.	2
The relationship between management accounting and financial accounting.	2
Cost classifications.	2
The role of the Management Accountant in a modern business environment, including the recognition of possible ethical issues that may arise.	2

2: COST ACCUMULATION SYSTEMS

Accounting for materials: inventory valuation approaches (FIFO; LIFO and AVCO); EOQ and JIT concepts. 2

Accounting for labour: remuneration methods; incentive schemes; productivity, labour turnover and labour performance reports. 1

Accounting for Overheads: absorption costing and activity based costing (ABC) approaches to overheads. 2

The preparation of integrated accounts 2

3: COSTING METHODS

Job and batch costing. 2

Process costing for single products and the use of equivalent units calculations under both FIFO and Weighted Average accounting systems. 2

Process costing ledger accounts including normal and abnormal loss/gain. 2

The role of costing in non-manufacturing sectors (service costing). 2

Marginal costing and the importance of contribution for decision-making. 2

Comparison of marginal costing and absorption costing approaches. 2

4: INFORMATION FOR DECISION MAKING

Cost behaviour patterns and identification of fixed/variable elements in a cost using High/Low method, scatter-graphs and regression analysis. 2

Break-even analysis and the importance of contribution. 2

Break-even chart preparation and interpretation. 2

Calculation of break-even point, margin of safety and target profit.	2
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Limitations of Cost-Volume-Profit Analysis.	2
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Relevant costing principles, including committed, sunk and opportunity costs.	2
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Relevant costs in decision making.	2
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Decision making with a single limiting factor/ constraint.	2
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Qualitative factors relevant to specific decisions.	2
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5: INFORMATION FOR PLANNING AND CONTROL

The role of budgeting including alternative budgeting systems (fixed, flexible, incremental and zero based budgeting (ZBB)).	1
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Behavioural and motivational issues in the budgetary process.	1
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Functional and subsidiary budgets (Master budgets are examinable at P1 Stage).	2
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Standard costing: role and procedures for standard setting, including different types of standards.	2
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Variance analysis: the calculation and interpretation of basic sales/cost variances. Reconciliation reports. The inter-relationship and possible causes of variances (fixed overhead capacity and efficiency variances are not examinable).	2
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Assessment Strategy:

EXAMINATION APPROACH

Questions in this examination are structured to ensure that students may demonstrate their knowledge and understanding of the principles and techniques of cost and management accounting at an introductory level. Where appropriate, students are expected to apply and integrate relevant learning from other syllabi with their learning from the Management Accounting syllabus. This is achieved through a blend of theoretical and numeric questions, often set in the context of a scenario.

EXAMINATION FORMAT

The examination is unseen, closed -book and 3 hours in duration. The paper has 6 questions. Questions 1 and 2 are compulsory. Students are required to answer 3 of the remaining 4 questions. Generally the examination consists of 1 essay / memorandum-type question and 5 computational-type questions. A multiple-choice question may be included as one of the computational questions. Some of the computational questions may require brief commentary on salient points related to the computations carried out.

Marks Allocation	Marks
Question 1	25
Question 2 (Students have a choice, Part A or B must be answered)	15
Choice of 3 questions out of 4 (20 marks are allocated to each question).	60
	Total 100

Learning Resources

CORE TEXTS

Drury, C., Cost and Management Accounting – An Introduction, 9th ed. / Cengage 2018 / ISBN-13: 978-1473749054

MANUALS

Griffith College CPA F2 Management Accounting -Latest edition.

SUPPLEMENTARY TEXTS

Drury, C., Management and Cost Accounting, 10th ed. / Cengage 2018/ ISBN-13: 978 1473748873.

Datar, S. & Rajan, M., Horngren's Cost Accounting: A Managerial Emphasis, Global Edition, 16th ed. / Pearson 2017/ ISBN-13: 978-1292211541.

Burns, J., Quinn, M., Warren, L. & Oliveira, J., Management Accounting /McGraw-Hill Education 2013/ ISBN-13: 978-0077121617.

AccountancyPlus.

CPA Students' eBulletin.

USEFUL WEBSITES (AS AT DATE OF PUBLICATION)

www.cpaireland.ie - CPA Ireland

www.accountingeducation.com -
Accountingeducation.com

Cost and Management Accounting (8th Edition) by
Colin Drury - related website:
www.drury-online.com

Management Accounting by Burns, Quinn, Warren and
Oliveira - related website:
www.burnsetal.com

STAGE: FORMATION 2

Subject Title:

FINANCIAL ACCOUNTING

Examination Duration: 3.5 Hours

Aim

The aim of this subject is to ensure that students understand the role, function and basic principles of financial accounting and master the rules of double-entry bookkeeping. They also develop the ability to prepare, analyse and report on financial statements for basic reporting entities in accordance with current Irish and generally accepted accounting principles (GAAP) and International Financial Reporting Standards (IFRSs).

Financial Accounting as an Integral Part of the Syllabus

The concepts and principles learnt in this subject are an essential foundation for the later studies of *Corporate Reporting*, *Advanced Corporate Reporting*, *Auditing and Audit Practice and Assurance Services*.

Stage	Subject	Subject	Subject	Subject	Subject	Subject
P2	Strategic Corporate Finance	Strategic Performance Management	Advanced Corporate Reporting	Strategy & Leadership	Audit Practice and Assurance Services	Advanced Taxation
P1		Managerial Finance	Corporate Reporting	Corporate Laws and Governance	Auditing	
F2		Management Accounting	Financial Accounting	Information Systems	Taxation	
F1			Management in Organisations	Economics and Business Planning	Business Law and Professional Ethics	

The above table shows the linkages between *Financial Accounting* and the subjects highlighted. The capabilities developed will be built upon in the study of the subjects highlighted above.

Learning Outcomes

On successful completion of this subject students should be able to:

- Identify the users of financial accounts and explain their requirements.
- Discuss and explain accountancy concepts and principles.
- Apply the principles and procedures of double entry bookkeeping.
- Prepare and present financial statements for sole traders, limited companies, partnerships and other organisations in accordance with current standards.
- Discuss, explain and apply the accounting treatment of non-current assets, current assets, events after the reporting period and contingencies in accordance with IFRS.
- Discuss where local GAAP (UK & Ireland) FRS 100 - FRS 102 may be applied.
- Prepare and present statements of cash flow and interpret and reconcile the movements in cash balances.
- Analyse and interpret financial statements and prepare accounting information for management control and decision making.

Syllabus

1: ACCOUNTING FRAMEWORK CL*	
Terminology, concepts, conventions. The purpose of accounting information and its communication.	
The users of financial accounts, statements and their requirements.	
Nature, principles and scope of financial accounting and its limitations.	1
The accounting profession and the role of the accountant.	1
The ethics and independence of the accounting profession.	1
The regulatory environment.	1

1: ACCOUNTING FRAMEWORK CL*	
The nature, role and significance of IASs, IFRSs and IGAAP.	1
2: BOOK-KEEPING	
Principles and procedures.	3
Original entry, double-entry, supporting records, bank accounts and reconciliation statements. Cash accounts, control accounts, trial balance, adjusting journal entries.	3
Allocation of expenditure and income between capital and revenue, and the treatment of reserves, provisions, accrued expenditure and payments in advance.	3
3: ACCOUNTING TREATMENT OF:	
Non-current assets - property, plant and equipment and intangibles (excluding complex revaluations).	2
Current assets.	2
Events after the reporting period.	2
Contingencies.	2
Inventories.	2
Changes in foreign exchange rates, (for individual companies and transactions only).	2
Revenue recognition.	2
4: PREPARING FINANCIAL STATEMENTS FOR DIFFERENT FORMS OF BUSINESS ENTITIES	
Limited companies in a form suitable for publication or internal use	2
Unlimited companies	

4: PREPARING FINANCIAL STATEMENTS FOR DIFFERENT FORMS OF BUSINESS ENTITIES

Sole Traders- including incomplete record situations.

Partnerships

a) Law governing partnership formation and dissolution, Partnership Act 1890. Partnership agreements, relations with third parties, powers and duties of partners. Retirement of partners. Relationship of partners with each other. Dissolution of partnerships. Partnerships and companies compared. Limited Partnership Act 1907. Relevant case law.

b) Partners' capital and current accounts. Valuation of and accounting for goodwill. Preparation of financial statements, accounting for incoming and outgoing partners, dissolution and amalgamation.

Companies 2

- Allotments, issue of shares.
- Preparation of limited company accounts to include statements of profit or loss and other comprehensive income and statements of financial position in accordance with standard international accounting practice.

Preparation of accounts in relation to: 2

- Clubs or Societies

5: INTERPRETATION OF FINANCIAL STATEMENTS

Statements of cash flow (for single entities only). Construction, interpretation and reconciliation of movements in cash balances in accordance with IAS 7. 1

Analysis and interpretation of Financial statements and drafting reports thereon. Preparation of accounting information for management control and decision making. 1

International Financial Reporting Standards:

See Examinable Material Document on pages 92 to 99 for details of the International Financial Reporting Standards etc. applicable to this examination.

Companies Act:

See Examinable Material Document on pages 92 to 99 for details of the Companies Act applicable to this examination.

Assessment Strategy

EXAMINATION APPROACH

This examination seeks to test the students' knowledge and understanding of the application of accounting concepts and principles. Question 1 is compulsory and usually involves the preparation and presentation of financial statements for sole traders, limited companies, partnerships and other organisations in accordance with current standards and guidelines. Other questions provide the opportunity for students to demonstrate their understanding of the role, function and basic principles (including double entry bookkeeping) of financial accounting.

Emphasis in this examination is placed on proper layout and presentation as well as on numerical accuracy. Students must demonstrate sound technical knowledge and presentation skills and the ability to integrate learning from different parts of this and other syllabi, as appropriate.

EXAMINATION FORMAT

The examination is unseen, closed book and 3.5 hours in duration. Students are required to answer 4 questions out of 5. Question 1 is compulsory and carries 40 marks. Students are required to answer 3 of the remaining 4 questions.

Marks Allocation	Marks
Compulsory question	40
Choice of 3 questions out of 4 (20 marks allocated to each question)	60
	Total 100

www.ifac.org/ - The International Federation of Accountants.

www.ifrs.org/ - The International Financial Reporting Standards Foundation.

www.iasplus.com - Deloitte Touche Tohmatsu. Summaries of International Financial Reporting Standards (IFRS).

www.frc.org.uk/ - The Financial Reporting Council.

www.frc.org.uk/About-the-FRC/FRCstructure/Audit-and-Assurance-Council.aspx, FRC - Audit and Assurance Council

www.frc.org.uk/About-the-FRC/FRCstructure/Accounting-Council.aspx, FRC Accounting Council

www.frc.org.uk/About-the-FRC/FRCstructure/Conduct-Committee.aspx, FRC-Conduct Committee

www.accountingnet.ie/ - Irish Accounting and Business Portal.

www.ec.europa.eu/internal_market/accounting/index_en.htm

Learning Resources

CORE TEXTS

Wood F and Sangster A / Business Accounting Vols 1 and 2 13th Revised Edition / Pearson 2015 / ISBN-13: 978-1292084664 ISBN-13: 978-1292085050

Connolly / International Financial Accounting and Reporting 5th ed. / CAI 2015 / ISBN-13: 978-1910374290

A new era for Irish & UK GAAP - A quick reference guide to FRS102 – Robert J. Kirk

www.cpaireland.ie/docs/defaultsource/Members/Publications/a-new-era-forirish-amp-uk-gaap---a-quick-reference-guide-tofrs102.pdf?sfvrsn=0

MANUALS

Griffith College CPA F2 Financial Accounting – Latest edition

SUPPLEMENTARY TEXTS AND JOURNALS

AccountancyPlus

CPA Students' eBulletin

USEFUL WEBSITES (AS AT DATE OF PUBLICATION)

www.cpaireland.ie - CPA Ireland.

www.iaasa.ie/ - Irish Auditing and Accounting Supervisory Authority.

STAGE: FORMATION 2

Subject Title:

INFORMATION SYSTEMS

Examination Duration: 3 Hours

Aim

The aim of this subject is to enable students to develop an understanding of the role and application of Information Systems (IS) and Information Technology (IT) in the management and control of organisations. It provides the basis for the further development of students for the roles of manager, advisor, assurance provider and designer of IS and IT.

Information Systems as an Integral Part of the Syllabus

This is an essential subject for the later study of Auditing, Audit Practice & Assurance Services and Strategy & Leadership. Students will develop their understanding of selecting and advising on the implementation of appropriate systems, processes, controls and solutions in a business environment.

Stage	Subject	Subject	Subject	Subject	Subject	Subject
P2	Strategic Corporate Finance	Strategic Performance Management	Advanced Corporate Reporting	Strategy & Leadership	Audit Practice and Assurance Services	Advanced Taxation
P1		Managerial Finance	Corporate Reporting	Corporate Laws and Governance	Auditing	
F2		Management Accounting	Financial Accounting	Information Systems	Taxation	
F1			Management in Organisations	Economics and Business Planning	Business Law and Professional Ethics	

The above table shows the linkages between Information Systems and the subjects highlighted. The capabilities developed will be built upon in the study of the subjects highlighted above.

Learning Outcomes

On successful completion of this subject students should be able to:

- Discuss the role of information systems in today's competitive business environment.
- Appraise and discuss the major management challenges to building and using information systems in organisations.
- Recognise and discuss ethical, social, and legal issues in the design and use of information systems.
- Analyse how information systems support various business strategies for competitive advantage.
- Analyse and discuss the challenges posed by strategic information systems and management solutions.
- Examine the role of Internet technology in facilitating management and coordination of internal and interorganisational business processes.
- Assess the challenges posed and opportunities offered by electronic business and electronic commerce and management solutions.
- Identify the challenges posed and opportunities offered by data resource management and management solutions.
- Evaluate the challenges of managing IT infrastructure and management solutions.
- Discuss alternative methods for building information systems and alternative methodologies for modelling systems.
- Discuss 'eXtensible Business Reporting Language' (XBRL) and how it improves the reliability and ease of communicating complex financial information among internal and external users.
- Critically analyse Information Technology-based case studies, thus incorporating their strategic and practical knowledge of Information Systems to real-life business situations.

Syllabus

1: THE DIGITAL FIRM	CL*
Use management and control of information systems in business.	2
The role of information systems in business strategy.	2
Information systems support in the decision making process.	2
Information systems and management issues.	2
Ethical, social, and political issues of information systems.	2
The impact of contemporary information systems and the Internet on the protection of individual privacy and intellectual property.	2
The role of information systems in today's competitive business environment.	2
The impact of the Internet and Internet technology on business and government.	2
Defining an information system from both a technical and business perspective and distinguishing between computer literacy.	2
The major management challenges to building and using information systems in organisations.	2
2: INFORMATION SYSTEMS IN BUSINESS	
How information systems support the major business functions: sales and marketing, manufacturing and production, finance and accounting, and human resources.	2
The relationship between organisations, information systems, and business processes.	2

2: INFORMATION SYSTEMS IN BUSINESS

The main classifications of information systems in business: executive support systems management information systems, decision support systems, knowledge management systems, transaction processing systems and office Information systems. 2

3: FUNCTIONS OF INFORMATION SYSTEMS

The functions of Information Systems. 2

Relationships between different information systems and where information systems are used within the firm. 2

Information systems support for business strategies towards competitive advantage. 2

The challenges posed by strategic information systems and management solutions. 2

4: ELECTRONIC BUSINESS & MOBILE COMMERCE

The Internet: new information technology infrastructure for the Digital Firm. 2

Internet platforms. 2

The use of electronic business and electronic commerce. 2

Technologies used for electronic business and electronic business models. 2

Internal and external applications of electronic business and electronic commerce. 2

Management issues associated with electronic business. 2

The impact of Internet Technology on value propositions and business models. 2

4: ELECTRONIC BUSINESS & MOBILE COMMERCE

The impact of electronic commerce on consumer retailing and business-to-business transactions. 2

Payment systems for electronic commerce. 2

The role of Internet Technology in facilitating management and coordination of internal and interorganisational business processes. 2

The challenges posed by electronic business and electronic commerce and management solutions. 2

Wireless transmission media and devices, cellular network standards and generations, and standards for mobile Web access. 2

M-commerce in business and m-commerce applications. 2

Wireless applications in business. 2

5: INFORMATION TECHNOLOGY

5.1 COMPUTER HARDWARE

The Internet: new information technology infrastructure for the Digital Firm. 1

The components of a computer system. 1

The stages of IT infrastructure evolution. 1

The technology drivers of IT infrastructure evolution. 1

Contemporary computer hardware platform trends. 1

Computer processing, storage, input and output technology. 1

Types and classifications of computer systems. 1

Managing hardware assets.	1
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Managing IT infrastructure and management solutions.	1
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5.2 COMPUTER SOFTWARE

Operating systems.	1
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Application software packages.	1
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Programming languages.	1
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Managing software assets.	1
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Contemporary software trends.	1
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eXtensible Business Reporting Language (XBRL).	2
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Collaborative and social software	2
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5.3 TELECOMMUNICATIONS AND NETWORKS

Components and functions of telecommunications systems.	1
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Communication networks.	1
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eBusiness and eCommerce technologies.	1
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Networking/telecommunications platforms.	1
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Consulting and system integration services.	2
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5.4 DATABASE AND INFORMATION STORAGE

The file organisation approach.	1
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The database management systems (DBMS) approach.	1
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Types of databases.	1
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Database purchase issues.	1
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Database design & maintenance issues.	1
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Database design principles.	1
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Database warehousing.	1
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Data and information storage trends.	1
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Managing data resources and management solutions.	1
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Database and data analytics.	2
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5.5 CLOUD COMPUTING

Infrastructure, platform and application (software service) layers of the cloud pyramid	2
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Private and Public Clouds	2
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Service Level Agreements (SLAs) for Cloud-based IT Resources	2
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Characteristics of cloud computing	2
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6: ORGANISATIONAL SUPPORT SYSTEMS

6.1 ENTERPRISE APPLICATIONS

Applications that support the major business functions, including Enterprise Resource Planning, Supply Chain Management and Customer Relationship Management systems	2
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6.2 KNOWLEDGE BASED SYSTEMS

Knowledge-based Systems.	2
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The flow of Knowledge Management.	2
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The control of Knowledge Management.	2
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6.3 MANAGEMENT DECISION SUPPORT TOOLS

Decision Support Systems.	2
Group Decision Support Systems.	2
Executive Support Systems.	2
Knowledge Working	2
Business intelligence solutions.	2

7: INFORMATION SYSTEM DEVELOPMENT

The System Development Life Cycle (SDLC).	1
Alternatives to SDLC including Prototyping and Rapid Application Development.	1
System development and management considerations.	2
The impact of building new systems on organisational change.	2
Developing information systems that support an organisation's business plan.	2
The core activities in the systems 1 development process.	1
Alternative methods for building 1 information systems and alternative methodologies for modelling systems.	1
The challenges of building information systems and management solutions.	2

8: Feasibility Study & Business Value of Systems

Aims, objectives, problem identification, responsibilities, planning, management and lifecycle.	2
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8: Feasibility Study & Business Value of Systems

Cost-benefit analysis and final outputs.	2
Models for understanding the business value of information systems.	2
Change management requirements for building successful systems.	2

9: SYSTEM SECURITY AND CONTROL

The need for special protection from destruction, error, and abuse of information systems.	2
The business value of security and control.	2
Organisational and managerial frameworks for security and control.	2
System vulnerability and abuse.	2
Preventative maintenance techniques and security controls.	2
Disaster recovery planning.	2
Quality control and quality assurance.	2
Tools and technologies for safeguarding information resources.	2
Identify the challenges posed by information systems security and control and management solutions.	2
Data Protection Act 1988 and Data Protection (Amendment) Act 2003	2

Assessment Strategy**EXAMINATION APPROACH**

The examination seeks to test students' knowledge and understanding of the role and application, analysis and evaluation of Information Systems and Information Technology.

Question 1 is a case-study set within a real-life business context. This assesses the ability to transfer strategic and practical knowledge of Information Systems to a business situation. It also tests the ability to assimilate information, identify problems / issues and recommend appropriate solutions.

Question 2 is compulsory. This question facilitates the examination of a range of topics across different syllabus areas.

Questions 3 to 6 have, as their major element, one of the main topic areas from the syllabus. Students are expected to demonstrate sufficient knowledge relating to technology and developments to effectively contribute to the formulation of an information technology strategy.

EXAMINATION FORMAT

The examination is unseen, closed book and 3 hours in duration. It is divided into two sections. Section A is compulsory and consists of an unseen mini - case-study for 25 marks and a second 15-mark question. Section B has four 20-mark questions. Students are required to answer 3 questions out of 4 from this section.

Marks Allocation	Marks
Section A	
Compulsory Question (Mini - case-study)	25
Question 2	15
Section B	
Choice of 3 questions out of 4 (20 marks each)	60
Total 100	

Learning Resources

CORE TEXTS

Laudon and Laudon, Management Information Systems: Managing the Digital Firm. Pearson 2018 / ISBN-13: 978-1292211756 15th edition.

SUPPLEMENTARY TEXTS AND JOURNALS

Data Protection Act 1988, Government Publications.

Data Protection (Amendment) Act 2003, Government Publications.

AccountancyPlus.

CPA Students' eBulletin.

USEFUL WEBSITES (AS AT DATE OF PUBLICATION)

www.cpaireland.ie - CPA Ireland.

www.bbc.co.uk/click - BBC's Technology Programme.

www.dataprotection.ie/ - The (Irish) Data Protection Commissioner www.itbusinessedge.com/ - IT Business Edge

www.isaca.org - Information Systems Audit and Control Association (ISACA).

www.softwareadvice.com – Buyer's guides to common software types.

www.accountingweb.com/technology – Technology and trends for accountants.

www.techcentral.ie - Ireland's technology news resource

www.irishtimes.com/news/technology

www.wcio.com - Chief Information Office

www.technologyreview.com - MIT Technology Review.

STAGE: FORMATION 2

Subject Title:

TAXATION

Examination Duration: 3 Hours

Aim

The aim of this subject is to ensure that students develop a knowledge and understanding of the workings of the tax system under the specified tax heads. This knowledge is applied in the calculation of tax liabilities and the identification of basic tax-saving measures.

Taxation as an Integral Part of the Syllabus

Taxation is an essential component for the later study of Advanced Taxation. Knowledge gained from this subject will also be relevant in the further study of Auditing, Audit Practice and Assurance Services, Managerial Finance and Strategic Corporate Finance.

Stage	Subject	Subject	Subject	Subject	Subject	Subject
P2	Strategic Corporate Finance	Strategic Performance Management	Advanced Corporate Reporting	Strategy & Leadership	Audit Practice and Assurance Services	Advanced Taxation
P1		Managerial Finance	Corporate Reporting	Corporate Laws and Governance	Auditing	
F2		Management Accounting	Financial Accounting	Information Systems	Taxation	
F1			Management in Organisations	Economics and Business Planning	Business Law and Professional Ethics	

The above table shows the linkages between *Taxation* and the subjects highlighted. The capabilities developed will be built upon in the study of the subjects highlighted above.

Learning Outcomes

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

- Classify and correctly assess income under the appropriate tax head and schedule.
- Prepare income tax computations and returns (including tax payable under Schedules D to F).
- Prepare capital gains tax computations and returns.
- Prepare corporation tax computations and returns.
- Discuss the operation of VAT and prepare VAT returns.
- Advise the requirements of a Revenue Audit and explain the powers of the Revenue Commissioners in this regard.
- Explain the principles underpinning double taxation, with particular emphasis on the Ireland / UK Tax Treaty.
- Describe and apply the relevant tax legislation with respect to subcontractors, including the operation of Relevant Contracts Tax (RCT).
- Research the appropriate tax legislation and apply it, as appropriate, to basic tax problems and scenarios.
- Demonstrate they have developed a sound basis for further tax studies.

Syllabus

1: PURPOSE AND ADMINISTRATION OF TAXATION	CL*
Tax legislation.	1
Tax administration; Direct and Indirect taxation.	1
Registration and collection of various taxes, assessments and appeals.	1
Residence and Domicile.	1
The role of the accountant: position as tax agent including right to attend appeal hearings; duties to the client, the profession and the State.	1

2: INCOME TAX

Charge to income tax, Residence and Domicile	2
Taxation of individuals and partnerships.	2
System of Self Assessment.	2
Tax bands, tax credits and relief.	2
Tax treatment of single, widowed, married, separated and divorced persons.	2
Distinction between employed vs. self-employed.	2
Retirement annuity contracts including PRSAs and AVCs.	1
High income earner restriction.	2

3: SCHEDULES D CASES I AND II

Determination of income assessable under each Case.	2
Distinguish between capital and revenue, income and expenditure.	2
Basis periods.	2
Adjusting accounting results for tax purposes.	2
Rules of Commencement and Cessation including Taxpayer and Revenue revisions.	2
Partnership, assessment of partners.	2
Taxation of farmers, income averaging.	2
Relief for losses and years available.	2
Capital allowances.	2
Badges of Trade.	2

3: SCHEDULES D CASES I AND II

PRSI	2
Universal Social Charge	2

4: SCHEDULES D CASES III TO V

Determination of income assessable under Cases III to V, including:

- Interest, DIRT, annuities, withholding tax.
- Securities bearing interest.
- Income from foreign securities.
- Shares received in lieu of cash dividends.
- Royalties not chargeable under other Cases.
- Distributions by companies out of capital profits.
- Rental Income.

5: SCHEDULE E

Determination of assessable income 2 including taxable benefits.	2
Relief for personal expenses.	2
Termination and lump sum payments – calculation, exemptions and relief.	2
Universal Social Charge	2
PAYE and PRSI	2

6: SCHEDULE F

Income assessable, basis of 2 assessment.	2
Dividend Withholding Tax -2 calculation, payment, refund of tax credits to individual.	2

7: SUBCONTRACTORS

Legislative requirements, definitions.	2
Operation of Relevant Contracts tax, administrative procedures.	2

8: VAT

Legislative requirements and procedures.	2
Cash and invoice basis.	2
Two-thirds and package rule.	2
Zero and exempt.	2
Non-deductible inputs.	2
E.U. intra community trade	2
Imports and exports.	2

9: DOUBLE TAXATION

A basic knowledge is required insofar as it relates to an individual's Investment income, with particular emphasis on the Irish/UK Tax Treaty.	1
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10: CORPORATION TAXATION

Basic principles and administration.	2
Computations including capital allowances, capital gains, treatment of distributions.	2
Losses excluding terminal loss relief.	2

11: CAPITAL GAINS TAX

Principles and scope.	2
Basis of Assessment.	2
Exemptions and reliefs to include; PPR, Transfer of business to company, retirement.	2
Chattels and marginal relief.	2
Basic computations of gains and losses, including indexation.	2
Share transactions to include bonus and rights issues.	2
Part disposals.	2
Development land – gains, losses, indexation.	2

12: REVENUE AUDIT

Revenue powers.	2
Revenue offences.	2
Understanding and meeting the requirements of a Revenue Audit.	2
Tax-geared penalties and interest.	2
Charter of Rights.	1
Mandatory disclosure.	1

Assessment Strategy

EXAMINATION APPROACH

Students are required to display a knowledge of the system of administration of the various taxes, including requirements for compliance and corresponding penalties with regard to submissions and payment of taxes. Questions are mainly scenario based and students are expected to demonstrate the correct application of the practical aspects of the subject matter being examined.

Descriptive answers are also required to some questions to indicate an understanding of the relevant law and administrative procedure. It is necessary to demonstrate an ability to answer questions in a logical and coherent fashion.

EXAMINATION FORMAT

The assessment is by unseen, closed book examination of 3 hours in duration. The paper is divided into two sections and all questions carry equal marks. In Section A students are required to answer 3 compulsory questions. In Section B students are required to answer 2 out of 3 questions. Questions 1 and 2 each mainly, but not necessarily exclusively, address one of the main taxes or tax heads on the syllabus. Question 3 addresses several areas. Questions 4, 5 and 6 may each focus on two or more areas.

Marks Allocation	Marks
SECTION A	
Question 1 (Compulsory)	20
Question 2 (Compulsory)	20
Question 3 (Compulsory)	20
SECTION B	
Questions 4 to 6 (Choice of any 2 out of 3, 20 marks each)	40
Total 100	

Learning Resources

CORE TEXTS

Irish Taxation: Law & Practice 2017/2018 / Irish Taxation Institute 2017

Irish Taxation Intermediate (Finance Act 2017) / Paula Byrne/Griffith College/ ISBN: 978-1999304713

MANUALS

Griffith College Dublin CPA F2 Taxation - Latest edition

SUPPLEMENTARY TEXTS AND JOURNALS

Tom Conlan / Students' Taxation Handbook 2016th edition/ McKeon Murray / Elm House, Leopardstown Office Park, Dublin18. Tel: 353 1 2959090

Irish Taxation: Law and Practice 2015/16 Volumes 1 and 2 / Irish Taxation Institute

AccountancyPlus


CPA Students' eBulletin

USEFUL WEBSITES (AS AT DATE OF PUBLICATION)

www.cpaireland.ie - CPA Ireland.

www.revenue.ie - The Revenue Commissioners

www.taxinstitute.ie - Irish Tax Institute

Four large, thick, green rings are arranged in a circular pattern, partially visible at the edges of the frame. They are composed of segments in various shades of green, from light lime to dark forest green.

Professional Level
There are two stages of
examinations at this level:
Professional 1 (P1)
Professional 2 (P2)

STAGE: PROFESSIONAL 1

Subject Title:

MANAGERIAL FINANCE

Examination Duration: 3 Hours

Aim

The aim of this subject is to ensure that students develop a critical understanding of the nature and scope of financial management. They should be able to assess funding requirements, calculate the cost of the available sources of finance, and advise on the optimum financing structure for an entity. Students should be able to evaluate the role and application of corporate planning and budgetary control theory and techniques. They are also expected to demonstrate excellent written communication skills and the ability to integrate learning of this and other subjects.

Managerial Finance as an Integral Part of the Syllabus

Managerial Finance develops students' knowledge and skills with respect of the financial management of organisations and builds on the Formation 2 Stage Management Accounting syllabus. This subject is an essential underpinning for Strategic Corporate Finance, Strategic Performance Management and Strategy & Leadership at Professional 2 Stage.

Stage	Subject	Subject	Subject	Subject	Subject	Subject
P2	Strategic Corporate Finance	Strategic Performance Management	Advanced Corporate Reporting	Strategy & Leadership	Audit Practice and Assurance Services	Advanced Taxation
P1		Managerial Finance	Corporate Reporting	Corporate Laws and Governance	Auditing	
F2		Management Accounting	Financial Accounting	Information Systems	Taxation	
F1			Management in Organisations	Economics and Business Planning	Business Law and Professional Ethics	

The above table shows the linkages between Managerial Finance and the subjects highlighted. The capabilities developed will be built upon in the study of the subjects highlighted above.

Learning Outcomes

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

- Interpret and critically appraise corporate objectives including, shareholder value, stakeholder value, value creation, investment policy and long and short-term financing.
- Analyse and evaluate the main financial management decisions of a company/organisation including capital budgeting, investment appraisal, working capital management, capital structure and dividend decision.
- Appraise foreign currency risk and recommend appropriate risk management strategies.
- Appraise the relationship between risk and return and demonstrate its application to portfolio theory and the Capital Asset Pricing Model (CAPM).
- Apply, evaluate and compare common business valuation models.
- Evaluate the role of corporate planning and budgetary control as key elements in managerial finance, including the preparation and utilisation of performance measurement statements.
- Prepare and present quantitative and qualitative information for management decision making, integrating analysis, argument, and commentary in a form appropriate to the intended audience.

Syllabus

1: FINANCIAL ENVIRONMENT	CL*
Aims and objectives of profit seeking and non-profit seeking organisations.	2
The inter relationship between financial management, management accounting and financial accounting.	3
Interests and influence of key stakeholder groups.	3

Ethics and corporate governance issues in Managerial Finance.	2
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2: SOURCES OF FINANCE

Equity / debt financing and associated risks.	2
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Short, medium and long-term finance.	2
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The nature and importance of internally generated funds.	2
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Determinants of capital structure.	2
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The nature and role of capital markets, - types of share capital including: rights issues, convertibles, warrants, etc.	2
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Sources of government finance, including grants, national aid schemes, tax incentives etc.	2
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Venture capital financing; nature, benefits and risks.	2
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Currency Risk Management	2
– Translation Risk	
– Transaction Risk, including internal hedging methods and forward market, money market and currency option hedges.	

3: INVESTMENT APPRAISAL

Time Value of Money, present values of cash flows, use of Present Value and Annuity Tables.	3
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Identification of relevant cash flows.	3
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Non-financial factors relevant to investment decisions.	2
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Investment appraisal techniques, including:	3
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- Net Present Value

- Adjusted Present Value

- Internal Rate of Return

3: INVESTMENT APPRAISAL

- Payback.

Lease or buy decisions.	3
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The effects of inflation, taxation and 2 capital rationing on the investment decision.	2
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4: WORKING CAPITAL MANAGEMENT

Effective working capital management strategies and corporate survival.	2
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Cash budgets/cashflow forecasts (linked to syllabus area 7 below).	3
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The operating cycle.	2
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Debtor and creditor management techniques including: credit evaluation, terms of credit, settlement discounts, debt collection techniques, factoring and invoice discounting.	2
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Inventory management techniques, including EOQ and JIT.	2
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Overtrading - symptoms, causes and remedies.	2
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5: COST OF CAPITAL

Cost of equity, dividend growth and Capital Asset Pricing Model (CAPM). irredeemable debt.	2
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Cost of redeemable and WACC – Calculation, application and interpretation.	2
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Systematic and unsystematic risk.	2
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Portfolio diversification.	2
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Portfolio theory and its application 2 in practical financial management.	2
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Dividend decisions.	2
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Calculate and interpret the risk and 2 return of a two asset portfolio.	2
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6: BUSINESS VALUATIONS

Methods of valuing a business, including:	2
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- Asset bases.

- Earnings bases.

- Discounted cash flow.

- Dividend yield.

- Dividend growth.

7: BUDGETARY PLANNING AND CONTROL

Budgetary planning and control.	3
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Incremental, zero-based and activity-based approaches to budget formulation.	3
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Functional budgets, including cash flow (linked to syllabus area 4), projected statements of profit or loss and other comprehensive income, and statements of financial position.	3
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Behavioural aspects of budgeting.	3
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8: MANAGEMENT ACCOUNTING IN DECISION SUPPORT

Variance calculation and analysis including fixed overhead capacity and efficiency variances.	2
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Modern Management Accounting including; Activity Based Management, Total Quality Management, Balanced Scorecard.	2
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Target costing.	
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Relevant costs in decision making.	
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Pricing decisions:

- Price / demand relationships.
- Cost-plus pricing.
- Market driven pricing.

Limiting factors (including linear programming - with two decision variables. Application of the graphical and simultaneous equation approaches).

Make or buy decisions.

Qualitative factors relevant to specific decisions:

- Internal
- H.R. / Motivational
- External
- Competitor Activity
- Social and environmental considerations.
- Impact on stakeholder groups including: customers, employees, investors, suppliers and society.

2 questions from 3. In summary, students are required to answer a total of 5 questions out of 6.

Marks Allocation	Marks
Section A	
Question 1	25
Question 2	20
Question 3 (Students have a choice, Part A or B must be answered)	15
Section B	
Question 4	20
Question 5 (Students have a choice, Part A or B must be answered).	20
Total 100	

Assessment Strategy

EXAMINATION APPROACH

Some questions may be entirely discursive, while others will be both discursive and computational. Skills examined will include comprehension, detailed application, analysis, evaluation, synthesis, and effective communication skills in relation to the production of reports and memoranda for internal use. Managerial Finance is a core subject, and this is reflected by the limited choice in both sections of the examination paper. Students are expected to integrate and apply learning from this and other syllabi, as appropriate.

Examination Format

The assessment is by an unseen, closed-book examination of 3 hours' duration. The paper is divided into two sections. In Section A students are required to answer 3 questions, question 1 a compulsory 25-mark question, question 2 a compulsory 20-mark question and question 3 a compulsory 15-mark question. Students have a choice of answering Part A or Part B of question 3. In Section B students are required to answer

Learning Resources

CORE TEXTS

Arnold / Corporate Financial Management 5th Edition/ Pearson 2016 / ISBN-13: 978-1292178066

Drury / Management & Cost Accounting 9th ed / (Cengage) / 2015 / ISBN-13: 978-1408093931

MANUALS

Griffith College CPA P1 Managerial Finance Latest edition.

SUPPLEMENTARY TEXTS & JOURNALS

Power, Walsh and O Meara 3rd ed / Financial Management / An Irish Text, Gill & Macmillan / 2009 / ISBN-13: 978-0717145546

Anne Marie Ward 3rd ed / Theory and Practice/ ICAI 2014 / ISBN-13: 978-1908199485

Accountancy Plus. CPA Students' eBulletin. Financial Director. Investment International. Accounting and Business. Accountancy Ireland.

USEFUL WEBSITES (AS OF DATE OF PUBLICATION)

www.cpaireland.ie - CPA Ireland.

www.ise.ie - The Irish Stock Exchange.

www.centralbank.ie/regulation/Pages/home.aspx -
Financial Regulator

www.cfo.com -CFO.com

www.ifac.org/ - International Federation of
Accountants.

www.ft.com - Financial Times.

www.wsj.com - The Wall Street Journal online.

www.investmentinternational.com Investment
International.

www.bloomberg.com/europe - Bloomberg

www.investopedia.com - Investopedia

STAGE: PROFESSIONAL 1

Subject Title:

CORPORATE REPORTING

Examination Duration: 3.5 Hours

Aim

The aim of this subject is to ensure that students have the technical knowledge and critical understanding of how to account for transactions and prepare financial statements for both single entities and groups, in accordance with international financial reporting standards and Irish GAAP.

Corporate Reporting as an Integral Part of the Syllabus

Corporate Reporting develops the concepts covered in Financial Accounting and provides students with the appropriate context to develop their technical skills. It is an essential underpinning for the later study of Advanced Corporate Reporting and Audit Practice & Assurance Services.

Stage	Subject	Subject	Subject	Subject	Subject	Subject
P2	Strategic Corporate Finance	Strategic Performance Management	Advanced Corporate Reporting	Strategy & Leadership	Audit Practice and Assurance Services	Advanced Taxation
P1		Managerial Finance	Corporate Reporting	Corporate Laws and Governance	Auditing	
F2		Management Accounting	Financial Accounting	Information Systems	Taxation	
F1			Management in Organisations	Economics and Business Planning	Business Law and Professional Ethics	

The above table shows the linkages between Corporate Reporting and the subjects highlighted. The capabilities developed will be built upon in the study of the subjects highlighted above.

Learning Outcomes

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

- Prepare the financial statements of companies and groups of companies in accordance with current international financial reporting standards and national and EU legislation, including:
 - Statements of Profit or Loss and other Comprehensive Income,
 - Statements of Financial Position
 - Statements of Changes in Equity, and
 - Statements of Cash flow.
- Discuss the circumstances under which organisations may, or must apply IFRS and / or local UK and Irish GAAP demonstrating an understanding of the key accounting and presentation differences between them if Local GAAP was applied.
- Prepare notes to financial statements in accordance with current international financial reporting standards and national and E.U. legislation.
- Appraise and apply the methods of accounting for business combinations; and
- Interpret financial statements and prepare reports tailored to each user group's technical knowledge and understanding of such statements.

Syllabus

1: COMPANY ACCOUNTS

CL*

Preparation and presentation of financial statements to comply with the Companies Act 2014, and standard international accounting practice. 2

2: LoCAL gAAP

FRs 100 – the differences between FRs 100 and IFRs with particular reference to: scope; terminology used; and format of accounts. 1

FRs 101 – the differences between FRs 101 and IFRs with particular reference to the scope of this standard 1

FRs 102 – the key differences between accounting treatments examinable at the P1 stage under IFRs and the equivalent elements of FRs 102. (sections 12, 31 and 34 are excluded). 1

3: GROUP ACCOUNTS AND BUSINESS COMBINATIONS

Consolidated statements of financial position, consolidated statements of profit or loss and other comprehensive income, including reserve reconciliations, consolidated statements of cash flow, acquisition of subsidiaries and associates during the year (excluding foreign subsidiaries and associates). 3

Takeover of partnership and sole traders. 3

Treatment of goodwill at acquisition N.B Sub-subsidiaries are not included. 3

4: INTERPRETATION OF FINANCIAL STATEMENTS

Ratio analysis, cash flow analysis, interpretation, and the preparation of reports thereon. 3

INTERNATIONAL FINANCIAL REPORTING STANDARDS:

See Examinable Material Document on pages 92 to 99 for details of the International Financial Reporting Standards etc. applicable to this examination.

COMPANIES ACT:

See Examinable Material Document on pages 92 to 99 for details of the Companies Act applicable to this examination.

Assessment Strategy

EXAMINATION APPROACH

Students are required to demonstrate a detailed understanding of accounting principles and the ability to apply these to practical situations. A peripheral knowledge does not suffice. In addition to testing technical competence the examination requires students to demonstrate effective communication skills, particularly in relation to the production of both internal memoranda and external financial reports for a wide variety of user groups. Students are expected to integrate and apply learning from this and other syllabi, as appropriate.

EXAMINATION FORMAT

The examination is unseen, closed-book and 3.5 hours in duration. Students are required to answer questions 1 to 3, and either question 4 or 5.

One of the compulsory questions is multiple choice, with 8 sections based mainly on International Financial Reporting Standards and the preparation of limited company and group accounts in accordance with those standards. The other two compulsory questions are mainly computational. Students are required to answer one of the remaining two questions.

Marks Allocation	Marks
Questions 1 and 2, compulsory, both computational questions (30 Marks each)	60
Question 3 Multiple Choice question	20
Questions 4 and 5, answer either, but not both	20
	Total 100

Learning Resources

CORE TEXTS

Connolly / International Financial Accounting and Reporting 5th ed. / CAI 2015 / ISBN-13: 978-1910374290

Elliott and Elliott, Financial Accounting and Reporting, 2017 Pearson (18th edition) ISBN-13: 978-1292162409

A new era for Irish & UK GAAP - A quick reference guide to FRS102 – Robert J. Kirk

<http://www.cpaireland.ie/docs/defaultsource/Members/Publications/a-new-era-for-irish-amp-uk-gaap---a-quick-reference-guide-to-frs102.pdf?sfvrsn=0>

MANUALS

Griffith College CPA P1 Corporate Reporting Latest edition.

SUPPLEMENTARY TEXTS AND JOURNALS

Cotter / Advanced Financial Reporting; A Complete Guide to IFRS/ 2012/ ISBN-13: 978-0273732358

A Step-by-step Approach by Paul Mahony and Niall MacLochlainn/ 2nd ed ISBN-13: 978-1908199478

Collins, McKeith / Financial Accounting and Reporting / McGraw-Hill 2013 / ISBN-13: 9780077138363

Melville / International Financial Reporting / 5th Edition / Pearson 2016 / ISBN-13: 978-1292086231

CPA Students' eBulletin

AccountancyPlus

USEFUL WEBSITES (AS AT DATE OF PUBLICATION)

www.cpaireland.ie - CPA Ireland.

www.iaasa.ie/ - Irish Auditing and Accounting Supervisory Authority.

www.ifac.org/ - The International Federation of Accountants.

www.ifrs.org/ - The International Financial Reporting Standards Foundation.

www.fasb.org - Financial Accounting Standards Board (USA).

www.iasplus.com - Deloitte Touche Tohmatsu. Summaries of International Financial Reporting Standards (IFRS).

www.frc.org.uk/ - The Financial Reporting Council.

www.frc.org.uk/About-the-FRC/FRCstructure/Audit-and-Assurance-Council.aspx, FRC - Audit and Assurance Council

www.frc.org.uk/About-the-FRC/FRCstructure/Accounting-Council.aspx, FRC Accounting Council

www.frc.org.uk/About-the-FRC/FRCstructure/Conduct-Committee.aspx, FRC-Conduct Committee

www.accountingnet.ie/ - Irish Accounting and Business Portal.

STAGE: PROFESSIONAL 1

Subject Title:

CORPORATE LAWS AND GOVERNANCE

Examination Duration: 3 Hours

Aim

This subject aims to ensure that students understand the theory and application of key aspects of business and commercial law to business organisations and recognise issues that require the advice of a legal professional. In addition, they must comprehend, apply and advise on the regulatory and governance requirements applicable to business organisations.

Corporate Laws and Governance as an Integral Part of the Syllabus.

The legal principles learnt in this subject will be relevant to students throughout their professional accountancy studies. In particular, this syllabus is an essential component for the study of Corporate Reporting, Managerial Finance, Auditing, Advanced Corporate Reporting, Advanced Corporate Finance and Audit Practice & Assurance Services, Strategic Performance Management.

Stage	Subject	Subject	Subject	Subject	Subject	Subject
P2	Strategic Corporate Finance	Strategic Performance Management	Advanced Corporate Reporting	Strategy & Leadership	Audit Practice and Assurance Services	Advanced Taxation
P1		Managerial Finance	Corporate Reporting	Corporate Laws and Governance	Auditing	
F2		Management Accounting	Financial Accounting	Information Systems	Taxation	
F1			Management in Organisations	Economics and Business Planning	Business Law and Professional Ethics	

The above table shows the linkages between Corporate Laws and Governance and the subjects highlighted. The capabilities developed will be built upon in the study of the subjects highlighted above.

Learning Outcomes

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

- Interpret, discuss and apply aspects of the law relating to the structuring of business entities and their commercial relationships.
- Discuss the role of company officers, including directors, the auditor and the company secretary, the various classifications of company capital and the rules governing its maintenance.
- Comprehend the nature of corporate offences and their sanctions
- Discuss the appointment, rights and duties of receivers, liquidators and examiners and outline the effects of receiverships, liquidations or examinerships on key stakeholders, including shareholders, directors, employees and creditors.
- Distinguish between the different types of credit and security, their legal consequences and the formalities applicable to these.
- Advise on and lead best practice in governance.
- Interpret and discuss the law of agency, and distinguish between principal and agent and their rights and duties.
- Discuss and apply the main aspects of employment law and be able to refer to and interpret relevant sources.
- Recognise when more specialist knowledge is required and the source of such expertise.

Syllabus

1: COMPANY LAW	CL*
Introduction	2
Companies and other forms of business organisation, the development of company law in Ireland, Irish company law and E.U. law.	
Company Formation	2

Review of the various classifications of companies, including a company limited by shares, a designated activity company, a public limited company, guarantee companies and unlimited companies. 2

How a company is formed, the Constitutional Document - its contents and how it can be altered, the legal effect of the Constitutional Document, the promoters and preincorporation contracts. 2

Separate legal personality of the company, lifting the veil of incorporation, the ultra vires rule and designated activity and public limited companies, liability of a company in respect to unauthorised or irregular transactions in both tort and criminal law, the doctrine of ostensible or apparent authority and the rule in Royal British Bank v. Turquand. 2

Corporate Finance

Floation of a public limited company, application for and allotment of shares, the capital of the a company – types of capital and shares, the maintenance of capital, the alteration and reduction of capital. 2

Nature of a share, rights of the shareholder, duties of the shareholder, different classes of shares, variation of rights of classes of shareholders, share certificates and warrants. 2

Calls, liens, forfeiture and surrender of shares. 2

Transfer and transmission of shares. 2

Shareholder agreements.

Membership of the company – Becoming a Member, Capacity to be a Member, Register of Members, Disclosure of interests in shares. 2

Dividends and distribution of profits. 2

Borrowing by the company – borrowing powers of companies, debentures and charges, registration crystallisation and invalidity of charges. 2

Company Officers

Formalities; types of directors appointment, removal, eligibility, resignation	2
Directors' Duties; under the Companies Act 2014	2
Corporate Offences; fraudulent trading, reckless trading, insider dealing and money laundering	2
Liability; restriction and disqualification orders	2
Company Secretary; qualifications appointment, powers and duties.	2
Company Auditor; appointment, removal powers and duties - the role of IAASA	2
Internal Management of Companies	
Meetings of the Company	2
Majority and minority rights, the rule in Foss v. Harbottle and its exceptions, Oppression and the Companies Act 2014.	2
Investigation of a company's affairs liability arising from investigations.	2
2: EXAMINERSHIP, RECEIVERSHIP AND LIQUIDATIONS	
Charges and crystallisation of charges	2
Protection of investors and creditors.	2
Appointment, rights, duties and powers of an Examiner.	2
Examinership process, report, schemes of arrangement.	2
Appointment, rights, duties and powers of a Receiver.	2
Appointment, rights and duties of a Liquidator.	2

Types of winding up, compulsory winding up, voluntary winding up the distinction between members and creditors voluntary liquidations.	2
Effects of examinerships, receiverships or liquidations on shareholders, directors and employees - as well as potential liability.	2
Order of payment of debts and charges on liquidation.	2
Accounts of an Examiner, Receiver and Liquidator.	2
3: COMMERCIAL CREDIT AND SECURITY	
Types of credit – vendor credit, lender credit, fixed term and revolving credit.	2
Types of security – real security, possessory security interests, pledges, liens, non-possessory security interests, mortgages, charges, personal security, guarantees, indemnities, letters of credit, performance guarantees, letters of comfort, quasi-security, retention of title, bills of exchange, set-off agreements, use of assets as quasi-security.	2
Formalities and registration of security interests, Bills of Sale Acts, Companies Acts.	2
4: CORPORATE GOVERNANCE	
Definition(s) of Corporate Governance	2
Agency Theory – potential conflicts of interest.	2
The role of the board – board structures, holding board meetings, importance of agendas and meetings, accountability of boards. Directors' responsibility for Internal Control.	2
Remuneration, transparency and accountability – the design of incentive compatible contracts, management incentives, role of remuneration committees, legal and stock exchange requirements, recognition and remuneration systems, disclosure requirements.	2

Developing and supporting a compliance culture – directors' compliance statements, role of the audit committee, role of non-executive board members. 2

Corporate Regulation in Ireland, the objectives and functions of: 2

- The Companies Registration Office (CRO)
- Administration of the company the directors, the secretary, the annual return, accounts and audit, mergers, arrangements, reconstructions and takeovers.
- Office of the Director of Corporate Enforcement (ODCE)
- Irish Stock Exchange (ISE)
- The Financial Regulator
- Irish Auditing and Accounting Supervisory Authority (IAASA).

UK Corporate Governance Code and related FRC/ISE guidness. 2

Risk Management - Steps in developing a risk management strategy, Governance Code guidance, risk management activities.

Sarbanes-Oxley Act – objectives, provisions, requirements and impact. 2

Emerging issues and developments in Corporate Governance 2

5: LAW OF AGENCY

Introduction – nature and consequences of agency, identifying agents, types of agent, agency distinguished. 2

Authority and power of company officers under the Law of Agency. 2

Principal and agent relations. 2

6: LAW OF EMPLOYMENT

Contract of employment, contract of service and contract for services. 2

Formation of the contract. 2

Terms of the contract. 2

Rights and duties of the employee. 2

Duties and rights of the employer. 2

Termination, unfair, constructive and wrongful dismissal, redundancy. 2

Maternity leave, Paternity leave, Adoptive leave, Parental leave, Force majeure leave – rights and entitlements 2

COMPANIES ACT

See Examinable Material Document on pages 92 to 99 for details of the Companies Act applicable to this examination.

Assessment Strategy

EXAMINATION APPROACH

Students are expected to demonstrate a detailed critical understanding of, and the ability to apply, the legal and governance principles and concepts studied. They are required to analyse practical situations and apply the correct legal and governance principles, supporting their answers with relevant case law, statutory provisions or best practice guidelines, as appropriate. Students are also expected to demonstrate clear logical thinking, excellent written communication skills and the ability to integrate learning from this and other syllabi.

EXAMINATION FORMAT

The assessment is by an unseen, closed book examination of 3 hours' duration. The paper is divided into two sections. In Section A students are required to answer 2 compulsory 25 mark questions and one question from the other two 20-mark questions. In Section B (Corporate Governance) students are required to answer one question from two. In summary, students are required to answer a total of 4 questions out of 6.

Marks Allocation	Marks
Section A	
<ul style="list-style-type: none"> Questions 1 and 2, compulsory, (25 Marks each) 	50
<ul style="list-style-type: none"> Questions 3 and 4, answer either, but not both 	20
Section B	
<ul style="list-style-type: none"> Questions 5 and 6, answer either, but not both 	30
Total 100	

Learning Resources

CORE TEXTS

Keane / Company Law, 5th revised edition / Bloomsbury 2016 / ISBN-13: 978-1780435428.

Courtney / Guide to the Companies Act 2014, 1st ed/ Bloomsbury Professional / ISBN-13: 978-1780438344 / White / Commercial Law / Wiley and Sons 2nd ed 2012 / ISBN-13: 978-1858006321.

Forde / Commercial Law, 3rd edition / Tottel 2005/ ISBN-10: 1845922034.

MacDonnell / An Introduction to Business Law 2nd Edition / CAI 2015 /

Governance Risk and Ethics / BPP Manual ACCA P1 / ISBN-13: 978-1472744272

Thuillier/Company Law in Ireland/2nd edition/Clarus Press/2015/ ISBN-13: 978-1905536757

Shareholders Rights and Remedies / Karole Cuddily / Bloomsbury Professional 2016 1st ed / ISBN-13: 978-1780430188

Companies Act 2014 / Thomas Courtney and Lyndon McCann / Bloomsbury Professional 2015 / ISBN-13: 978-1780438559

MANUALS

Griffith College CPA P1 Corporate Laws & Governance - Latest edition.

SUPPLEMENTARY TEXTS AND JOURNALS

Office of the Director of Corporate Enforcement / Books 1 to 7 (setting out the principal duties and powers of companies, company directors, company

secretaries, members and shareholders, auditors, creditors, liquidators, receivers and examiners), free to download from: www.odce.ie/publications/companylawguidance/informationbooks.aspx

Regan / Employment Law in Ireland 2nd ed/ Bloomsbury/ 2015 / ISBN-13: 9781847663764

Forde / Employment Law / Thomson Round Hall 2009 / 3rd ed/ ISBN-13: 978-1858005522.

Solomon / Corporate Governance & Accountability / Wiley Publishers, 4th edition 2014 / ISBN-13: 978-1118449103

Monks and Minow / Corporate Governance / Wiley / 5th. Edition / 2011 / ISBN-13: 978-0470972595

Christine Mallin / Corporate Governance / Oxford University Press/ 4th ed/ 2012 / ISBN-13: 978-0199644667

FRC Governance Guidance on Audit Committees: www.frc.org.uk/OurWork/Publications/Corporate-Governance/uk-Corporate-Governance-Code-2014.pdf

Guidance on Risk Management, Internal Control and Related Financial and Business Reporting: www.frc.org.uk/Our-Work/Publications/Corporate-Governance/Guidance-on-Risk-Management,-Internal-Control.pdf

B. Tricker / Corporate Governance: Principles, Policies, Practices, 2nd edition / (2012) Oxford University Press/ ISBN-13: 978-0199607969

AccountancyPlus. CPA Students' eBulletin.

USEFUL WEBSITES (AS OF DATE OF PUBLICATION)

www.ise.ie - Irish Stock Exchange.

www.irishstatutebook.ie - Irish Statute Book – Office of the Attorney General.

www.cro.ie - Companies Registration Office.

www.odce.ie - Office of the Director of Corporate Enforcement.

www.clrg.org - Company Law Review Group.

www.lawreform.ie - The Law Reform Commission.

www.courts.ie - Irish Courts Service.

www.cpaireland.ie - CPA Ireland.

www.frc.org.uk - Financial Reporting Council.

www.frc.org.uk/About-the-FRC/FRCstructure/Former-FRC-structure/ProfessionalOversight-Board.aspx - Professional Oversight Board

www.ifac.org/ - International Federation of Accountants.

www.iaasa.ie - Irish Auditing & Accounting Supervisory Authority

www.auditcommitteeinstitute.ie - Audit Committee Institute Ireland

www.smurfitschool.ie/researchandfaculty/researchcentres/centreforcorporategovernance/ Institute of Directors Centre for Corporate Governance.

www.sec.gov/about/laws/soa2002.pdf Sarbanes-Oxley Act of 2002

www.ifsra.ie - The Irish Financial Services Regulatory Authority

www.irishtakeoverpanel.ie - The Irish Takeover Panel

www.iodireland.ie/ - The Institute of Directors in Ireland

www.iaim.ie - Irish Association of Investment Managers

www.icsa.com/charteredsecretaries.ie/ - The Institute of Chartered Secretaries & Administrators

www.oecd.org/daf/ca/corporategovernanceprinciples/31557724.pdf - OECD Principles of Corporate Governance

STAGE: PROFESSIONAL 1

Subject Title:

AUDITING

Examination Duration: 3 Hours

Aim

The aim of this subject is to introduce students to the concepts and principles of the audit process and to develop their understanding of its application in the context of the legal, regulatory and ethical framework of the profession.

Auditing as an Integral Part of the Syllabus

Auditing is an essential foundation subject for the subsequent study of Audit Practice and Assurance Services at Professional 2 Stage. It is also an essential component for the study of Advanced Corporate Reporting at Professional 2 Stage.

In carrying out the audit of an entity's financial statements there is a critical need to identify the source, and test the treatment of financial statement items (period transactions and year-end balances) and disclosures, to ensure compliance with Irish GAAP. The subjects: Financial Accounting and Corporate Reporting will provide students with this necessary knowledge. Business Laws, Corporate Laws and Governance, Taxation and Information Systems will increase students' awareness of other matters that an auditor must consider in the audit process.

Stage	Subject	Subject	Subject	Subject	Subject	Subject
P2	Strategic Corporate Finance	Strategic Performance Management	Advanced Corporate Reporting	Strategy & Leadership	Audit Practice and Assurance Services	Advanced Taxation
P1		Managerial Finance	Corporate Reporting	Corporate Laws and Governance	Auditing	
F2		Management Accounting	Financial Accounting	Information Systems	Taxation	
F1			Management in Organisations	Economics and Business Planning	Business Law and Professional Ethics	

The above table shows the linkages between Auditing and the subjects highlighted. The capabilities developed will be built upon in the study of the subjects highlighted above.

Learning Outcomes

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

- Interpret and discuss the legal, regulatory and ethical framework within which the auditor operates.
- Appraise the respective responsibilities of directors and auditors.
- Discuss the nature, purpose and scope of an audit and defend the role of the auditor.
- Apply and explain the process relating to the acceptance and retention of professional appointments, to include the purpose and content of engagement letters.
- Devise an overall audit strategy and develop an audit plan.
- Supervise and review the various stages of the audit process.
- Outline the nature of internal controls and the procedures required to evaluate control risk relating to specific accounting systems, in order to identify internal controls and weakness within the systems.
- Distinguish between Tests of Control and Substantive Procedures.
- Design and apply the appropriate audit tests to include in the audit programme.
- Carry out analytical procedures and assess the implications of the outcome.
- Appraise the significance, purpose and content of management letters and management representations.
- Discuss the distinction between an internal and external audit.
- Apply and discuss audit sampling.
- Demonstrate the outcome and implications of subsequent event reviews.
- Plan and describe the audit of computer information systems.
- Draw appropriate conclusions leading to the formulation of the auditor's opinion.
- Apply and explain the basic component elements of the auditor's report.
- Identify and appraise matters that impact on the wording of Modified Reports, differentiating between matters that do not affect the auditor's opinion, and matters that do affect the auditor's opinion.

- Recognise ethical issues, discuss, escalate or resolve these as appropriate within the Institute's ethical framework, demonstrating integrity, objectivity, independence and professional scepticism.

Syllabus

1: THE AUDITOR AND THE AUDIT ENVIRONMENT

CL*

The Statutory Audit: need, objective, 2 focus, nature and structure. 2

Public interest, expectations, interrelationships between auditor, directors (management) and shareholders and other users of financial statements, including their respective roles and the auditor's duties to these parties. 2

The Irish audit profession and the CPA Institute: organisation and regulation. 2

International Standards on Auditing (ISAs) and other technical pronouncements issued by APB: nature, formulation, issuance and compliance enforcement. 2

The audit implications of International Accounting Standards (IFRS/IAS): understanding and basis for application. 2

Directors' responsibilities versus auditor's responsibilities for financial statements and internal controls; distinction between external and internal audit. 2

Corporate governance. 2
The audit exemption threshold for Companies, and the procedure to become audit exempt 2

2: AUDITOR'S LEGAL, ETHICAL AND PROFESSIONAL RESPONSIBILITIES

Professional ethical responsibilities: 2

- CPA Code of Ethics.
- IFAC Code of Ethics.

2: AUDITOR'S LEGAL, ETHICAL AND PROFESSIONAL RESPONSIBILITIES

- Ethical Standard for Auditors (Ireland) 2016.

Statutory responsibilities and rights: 2

- Companies Act 2014: audit conduct, appointment, termination, removal, access.
- Company Law Enforcement Act (2001): indictable offence, reporting to ODCE in the event of indictable offences (lack of proper books of accounts, improper director transactions).
- Criminal Justice Acts: money laundering offences (including Money Laundering and Terrorist Financing 2010 Act), reporting to Revenue Commissioners and Gardai in the event of breaches.
- Other relevant laws: EU Directives.

Key responsibilities derived from International Standards on Auditing (ISAs). 2

Auditor's responsibility in relation to fraud and for the entity's compliance with laws and regulations. 2

Auditor's responsibilities defined by case law arising from alleged negligence (financial statements misstated) and related exposure and consequences 2

Pre-appointment procedures: client 2 assessment (including management integrity) and completion of engagement letter. 2

3: AUDIT PLANNING AND SUPERVISION

Materiality: nature (quantitative and 2 qualitative), determination, impact and use throughout different phases of the audit. 2

Audit risk and its components (inherent, control and detection risks): interrelationships, evolution as audit progresses and impact on nature, timing and extent of audit work. 2

Audit strategies (risk-based auditing, tests of control, substantive procedures, combined procedures, audit around and through computerised systems) and their impact on the conduct of the audit. 2

Knowledge of the entity and its environment: business, risks, management, and accounting systems. 2

Nature, extent and timing of audit procedures in response to assessed risks of material misstatement, sufficient and appropriate audit evidence, types of audit evidence, general audit techniques (enquiry, observation, inspection, analysis, computation, confirmation). 2

Audit planning memo, audit programmes and working papers. 2

Audit supervision and review. 2

4: AUDIT EXECUTION: INTERNAL CONTROL, ASSESSING CONTROL RISK AND TESTS OF CONTROL

Entity's control environment and control procedures, objectives, limitations, attributes. 2

Auditor's and management respective responsibilities. 2

Internal control descriptions (flowcharts, narrative descriptions, walkthroughs) and internal control assessments (ICEs/ICEQs). 2

Broad approach to internal controls, components of internal controls, limitations of internal control 2

Assessing the Risk of Material Misstatement, Internal Controls assessment and Tests of Control for the following major systems: sales, purchases, payroll, cash receipts and disbursements, inventory. 2

4: AUDIT EXECUTION: INTERNAL CONTROL, ASSESSING CONTROL RISK AND TESTS OF CONTROL

Audit Programmes for Tests of Control. 2

Final Assessment of Control Risk. 2

Management letter reporting and assessment of impact on audit strategy. 2

5: AUDIT EXECUTION: FINANCIAL STATEMENT ITEMS SUBSTANTIVE PROCEDURES.

Application of specific substantive procedures to test the following categories of assertions: 2

- Assertions relating to classes of transactions and events;
- Assertions relating to account balances;
- Assertions relating to presentation and disclosure.

Audit of statements of financial position, validation procedures, applied in audit of: 2

- Tangible fixed assets.
- Inventory.
- Accounts receivable, prepayments & sundry debtors.
- Investments and market securities.
- Bank and cash balances.
- Accounts Payable, accruals & sundry creditors, provisions for liabilities.
- Debenture loans and bank borrowings.
- Capital and Reserves, Equity.

Audit of statements of profit or loss and other comprehensive Income account , validation procedures, applied in audit of: 2

- Revenues and expenses.
- Sales/purchases.
- Wages and salaries.
- Other statements of profit or loss and other comprehensive income account items.

Understanding of IFRS/IAS 1 concerning above items.

Misstatements / aggregation / assessment / impact on audit reporting.

6: AUDIT EXECUTION: OTHER CONSIDERATIONS

Sampling methods: decision to use, judgemental versus statistical (MUS) sampling methods for controls and financial statement items, sample selection and assessment. 2

Analytical review: nature and use (financial statements/data) throughout audit. 2

Going concern and its impact throughout the different phases of the audit. 2

Subsequent events. 2

Accounting estimates. 2

Commitments and contingencies. 2

Management representation letters. 2

Use of experts. 2

7: AUDIT EXECUTION: COMPUTER INFORMATION SYSTEMS (CIS) AUDITING

Entity's computer systems and controls: 2

<ul style="list-style-type: none"> Computer systems: general applications of e-commerce and impact on control and audit work, key computer processes, including data organisation and access, network and electronic transfers and transaction processing modes. Key computer system hardware and software, including xbrl. 	
<ul style="list-style-type: none"> Key computer system general controls: design and implementation, data integrity, privacy and security, system program changes, system access and disaster recovery plans. 	
<ul style="list-style-type: none"> Key computer system application controls: transactions input, processing and output, masterfile changes. 	
Computer Assisted Audit Techniques (CAATS):	2
<ul style="list-style-type: none"> Nature (computer software including expert systems and test data), 	
<ul style="list-style-type: none"> Purpose (testing, administration), 	
<ul style="list-style-type: none"> Application and related audit concerns (integrity and security of CAATs, audit planning considerations) 	
8: AUDIT REPORTING	
Reporting on Audited Financial Statements.	2
Key concepts: opinion, true and fair view, materiality, statutory requirements.	2
Basic elements of the Auditor's Report.	2
Key Audit Matters.	2
Modified Reports, differentiating between	2
<ul style="list-style-type: none"> Matters that do not affect the auditor's opinion, and 	
<ul style="list-style-type: none"> Matters that do affect the auditor's opinion. 	
Circumstances giving rise to Modified Reports:	2

- Limitations on Scope.

- Disagreements with management.

Auditor's responsibility before and after the date of the Auditor's Report. 2

Auditor's responsibility for other information in documents (e.g. Annual Report) containing audited financial statements. 2

FINANCIAL REPORTING AND AUDITING STANDARDS:

See Examinable Material Document on pages 92 to 99 for details of the Financial Reporting and Auditing Standards etc. applicable to this examination. It is important to note that the International Standards in Auditing (ISAs) and the International Financial Reporting Standards (IFRs) are examinable at this stage.

COMPANIES ACT:

See Examinable Material Document on pages 92 to 99 for details of the Companies Act applicable to this examination.

Assessment Strategy

EXAMINATION APPROACH

The skills examined include comprehension, detailed application, synthesis, evaluation, effective communication, the analysis of audit issues and the ability to propose appropriate solutions thereto. Students are required to attempt three questions that are scenario-based. One of the compulsory questions is multi-choice examining a broad range of the syllabus. Students' competence is assessed over a range of issues and they are asked to show how elements of it interact and overlap. The questions seek to ascertain the students' knowledge of the practical application of the theoretical concepts studied.

Students are also required to demonstrate, in the context of the scenario presented, the ability to exercise professional judgement, including appropriate professional scepticism and consideration of legal and ethical issues in drawing conclusions.

EXAMINATION FORMAT

The examination is unseen, closed-book and 3.0 hours in duration. Students are required to answer questions 1 to 3, and either question 4 or 5. One of the compulsory questions is multiple-choice, with 8 sections is from a range of topics across this syllabus. All other questions are split between practical application and / or theory.

Marks Allocation	Marks
Section A	
Questions 1 and 2 compulsory questions (30 Marks each)	60
Question 3 Multiple Choice questions	20
Questions 4 and 5, answer either, but not both	20
<u>Total 100</u>	

Learning Resources

CORE TEXTS:

External Auditing and Assurance: An Irish Textbook
2nd Edition by Martin Nolan and Christine Nangle
Revised/2016/ICAI/ ISBN-13: 978-1910374696

Guide to Using International Standards on Auditing in the Audits of Small- and Medium-Sized Entities /3rd Edition
2011 / IFAC / ISBN1-13: 978-1608150991 Published in two volumes freely available for download from:

Volume 1:

<http://ifac.org/sites/default/files/publications/files/SMP-ISA-Audit-Guide-Volume-1-3e.pdf>

Volume 2:

<http://ifac.org/sites/default/files/publications/files/SMP-ISA-Audit-Guide-Volume-2-3e.pdf>

TECHNICAL MATERIAL:

1. Auditing and Quality Control Standards

International Standards on Auditing (Ireland)

ISQC (Ireland) Quality control for firms that perform audits and reviews of financial statements and related services engagements.

These are available from the Irish Auditing and Accounting Supervisory Authority www.iaasa.ie

2. Financial Accounting and Reporting Standards

International Financial Reporting Standards (IFRSs) EU Endorsed are available from the European Commission on http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

The International Standards on Auditing Ireland are available from the Irish Auditing and Accounting Supervisory Authority www.iaasa.ie.

ETHICAL STANDARDS

APB Ethical Standards (ESs) are available from the Auditing Practices Board website www.frc.org.uk/apb

CPA – Code of Ethics, available from the CPA website at www.cpaireland.ie

4. Examinable Material Document

See pages 92 to 99

SUPPLEMENTARY TEXTS AND JOURNALS

Principles of External Auditing 4th ed / Porter, Hatherly, Simon / Wiley 2008 / ISBN-13: 9780470974452

The Audit Process, Principles, Practice & Cases 6th ed/ Gray, Manson and Crawford / Cengage 2015 / ISBN-13: 978-1408081709

AccountancyPlus

CPA Students' eBulletin

USEFUL WEBSITES (AT DATE OF PUBLICATION)

www.cpaireland.ie – CPA Ireland.

www.iaasa.ie/ - Irish Auditing and Accounting Supervisory Authority.

www.ifac.org/auditing-assurance/ - International Auditing & Assurance Standards Board

www.frc.org.uk/About-the-FRC/FRCstructure/Former-FRC-structure/AuditingPractices-Board.aspx - Auditing Practices Board

www.ifac.org – The International Federation of Accountants.

www.ifrs.org/ - The International Financial Reporting Standards Foundation.

www.frc.org.uk/ - The Financial Reporting Council.

www.frc.org.uk/About-the-FRC/FRCstructure/Audit-and-Assurance-Council.aspx, FRC - Audit and Assurance Council

www.frc.org.uk/About-the-FRC/FRCstructure/Accounting-Council.aspx, FRC Accounting Council

www.frc.org.uk/About-the-FRC/FRCstructure/Conduct-Committee.aspx, FRC-Conduct Committee

www.accountingnet.ie/ - Irish Accounting and Business Portal

PROFESSIONAL 2

P2 Examinations

Guide to Subject Choice Available to P2 Stage Students.

Having completed and passed the P1 Stage each student is required to sit and pass the assessments in the two P2 mandatory subjects. These are ACR and S&L, see Table 1 below.

In addition, each student is required to sit and pass the assessments in two of the four elective subjects also listed in Table 1. The subject choice will be informed by whether or not a student intends to pursue a career in practice or not.

A student who intends to pursue a career in:

- Practice (without Audit Qualification) must sit and pass the assessments in A Tax and one of the other three elective subjects in addition to the two mandatory subjects.
- A student who intends to pursue a career outside practice is not restricted to which two assessments to sit and pass from the four elective subjects.
- Practice with Audit Qualification must sit and pass the assessments in A Tax and AP&AS in addition to the two mandatory subjects, and
- A student who intends to pursue a career outside practice is not restricted in the choice of elective subjects he may choose to sit the assessments in.

In summary, all P2 Stage students are required to pass four assessments, two in the mandatory subjects and any two from the four elective subjects. The choice of elective subjects will depend on the career plan of the individual students and the options are outlined above.

Table 1

Subject Name	Mandatory
Advanced Corporate Reporting (ACR)	Mandatory
Strategy & Leadership (S&L)	Mandatory
Audit Practice & Assurance Services (AP&AS)	Elective*
Advanced Taxation (AT)	Elective*
Strategic Performance Management (SPM)	Elective
Strategic Corporate Finance (SCF)	Elective

STAGE: PROFESSIONAL 2

Subject Title:

ADVANCED CORPORATE REPORTING

Examination Duration: 3.5 hours (Open Book)

Aim

The aim of this subject is to ensure that students apply the appropriate judgement and technical ability in the preparation and interpretation of financial statements for complex business entities. Students must also be able to evaluate and communicate the impact of current issues and developments in corporate reporting to those who may not have such theoretical and technical expertise.

Advanced Corporate Reporting as an Integral Part of the Syllabus

By using a case study approach Advanced Corporate Reporting develops the knowledge and technical skills acquired in Financial Accounting and Corporate Reporting to ensure that students can view financial reporting in its broadest context.

Stage	Subject	Subject	Subject	Subject	Subject	Subject
P2	Strategic Corporate Finance	Strategic Performance Management	Advanced Corporate Reporting	Strategy & Leadership	Audit Practice and Assurance Services	Advanced Taxation
P1		Managerial Finance	Corporate Reporting	Corporate Laws and Governance	Auditing	
F2		Management Accounting	Financial Accounting	Information Systems	Taxation	
F1			Management in Organisations	Economics and Business Planning	Business Law and Professional Ethics	

Advanced Corporate Reporting integrates and builds on and integrates, as appropriate, the capabilities developed in the earlier subjects as highlighted in the table above.

Learning Outcomes

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

- Prepare the financial statements of companies, groups and associated undertakings, including overseas subsidiary undertakings, in accordance with International Financial Reporting Standards (IFRS), company law and E.U. law. These include:
 - Statements of Profit or Loss and Other Comprehensive Income,
 - Statements of Financial Position,
 - Statements of Changes in Equity, and
 - Cash Flow Statements.
- Discuss the circumstances under which organisations may, or must, apply IFRS and / or local UK and Irish GAAP demonstrating an understanding of the key accounting and presentation differences between them if Local GAAP were to be applied.
- Appraise and apply the acquisition method of accounting and related disclosure requirements in financial statements and notes.
- Interpret and apply international financial reporting standards and interpretations adopted by the IASB, selecting the appropriate accounting treatment for transactions and events.
- Analyse and evaluate financial statements.
- Write detailed reports, tailored to the technical understanding of the different user groups.
- Critically evaluate the main accounting issues currently in the field of corporate reporting.
- Demonstrate appropriate professional judgement and ethical sensitivity.

Syllabus

1: LEGISLATION	CL*
Company Law relating to the preparation of financial statements, including Group Accounts	3
	3

2: LOCAL GAAP

FRS 100 and IFRS, with particular reference to scope, terminology used, and format of accounts. 2

FRS 100 – the differences between FRS 100 and IFRS with particular reference to: scope; terminology used; and format of accounts. 2

FRS 101 – the differences between FRS 101 and IFRS with particular reference to the scope of this standard. 2

FRS 102 – the key differences between accounting treatments examinable under IFRS and the equivalent elements of FRS 102. (Sections 12, 31 and 34 are excluded). 2

3: PREPARATION OF FINANCIAL STATEMENTS (INCLUDING CONSOLIDATED FINANCIAL STATEMENTS)

Statutory financial statements for incorporated entities, 3

Consolidated financial statements. 3

4: INTERNATIONAL FINANCIAL REPORTING

An in-depth critical understanding of all technical pronouncements currently in issue, with particular reference to their application to practical situations, (a full list of the relevant technical pronouncements is contained in the Examinable Material Document on pages 92 to 99 of this syllabus). 3

Current issues in Corporate Reporting. 2

5: ANALYSIS, EVALUATION AND INTERPRETATION OF FINANCIAL STATEMENTS

Ratio analysis and cash flow analysis. 3

Critical appraisal of financial statements.	3
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Interpretation of financial statements and preparation of reports thereon.	3
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INTERNATIONAL FINANCIAL REPORTING STANDARDS:

See Examinable Material Document on pages 92 to 99 for details of the International Financial Reporting Standards etc. applicable to this examination.

COMPANIES ACT:

See Examinable Material Document on pages 92 to 99 for details of the Companies Act applicable to this examination.

ASSESSMENT STRATEGY

Examination Approach This examination paper, which uses a case-study format, is the final test of students' ability to understand and apply the theory of financial reporting to a number of practical accounting issues. The case-study is designed to test students' ability to digest a considerable amount of detailed information about the affairs of a single company or group of companies. From that data, students are required to prepare a number of primary statements i.e. published or consolidated financial statements. A substantial narrative element is included requiring students to prepare both internal and external reports.

The assessment is designed to weight the marks mainly towards the presentational element of both the narrative and computational parts of the case study. There is a considerable portion of marks available for the display of sound technical judgement. The case-study includes a range of current technical issues requiring, in many situations, substantial adjustments to the draft figures provided in the question. Students are expected to demonstrate a strong technical understanding of how to solve external financial reporting issues and display sound professional judgement and ethical sensitivity. They are also required to write reports or memoranda tailored to the technical skills and understanding of various user groups in order to assess their presentation and communication skills.

EXAMINATION FORMAT

The examination is open book and of 3.5 hours duration. The paper consists of one case study.

MARKS ALLOCATION

The total for the paper is 100 marks. The case-study requirement is generally broken down into four or five separate sections with approximately 50% of the marks for technical ability. The balance of the marks is awarded for the ability to: interpret financial statements; appraise, apply and communicate the theoretical concepts underpinning technical adjustments; and ethical and current issues in financial accounting.

Learning Resources

CORE TEXTS

Connolly / International Financial Accounting and Reporting 6th ed. / CAI 2018 / ISBN-13: 978-1912350025

Elliott and Elliott, Financial Accounting and Reporting, 2017 Pearson (18th edition) ISBN-13: 978-1292162409

A new era for Irish & UK GAAP - A quick reference guide to FRS102 – Robert J. Kirk www.cpaireland.ie/docs/defaultsource/Members/Publications/a-new-era-for-irishamp-uk-gaap---a-quick-reference-guide-tofrs102.pdf?sfvrsn=0

MANUALS

Griffith College, CPA P2 Advanced Corporate Reporting - Latest edition

SUPPLEMENTARY TEXTS AND JOURNALS

Cotter / Advanced Financial Reporting; A Complete Guide to IFRS/ 2012/ ISBN-13: 978-0273732358

Collins, McKeith / Financial Accounting and Reporting / McGraw-Hill 2009 / ISBN 978-0077114527

Melville / International Financial Reporting / 5th Edition / Pearson 2016 / ISBN-13: 978-1292086231

CPA Students' eBulletin.

AccountancyPlus.

USEFUL WEBSITES (AS AT DATE OF PUBLICATION)

www.cpaireland.ie - CPA Ireland.

www.iaasa.ie/ - Irish Auditing and Accounting Supervisory Authority.

www.ifac.org/ - The International Federation of Accountants.

www.ifrs.org/ - The International Financial Reporting Standards Foundation.

www.iasplus.com - Deloitte Touche Tohmatsu. Summaries of International Financial Reporting Standards (IFRS).

www.fee.be/ - The European Federation of Accountants.

www.efrag.org/ - The European Financial Reporting Advisory Group.

www.frc.org.uk/ - The Financial Reporting Council.

www.frc.org.uk/About-the-FRC/FRCstructure/Audit-and-Assurance-Council.aspx - FRC - Audit and Assurance Council

frc.org.uk/About-the-FRC/FRCstructure/Accounting-Council.aspx, FRC Accounting Council

www.frc.org.uk/About-the-FRC/FRCstructure/Conduct-Committee.aspx - FRC-Conduct Committee

www.accountingnet.ie/ - Irish Accounting and Business Portal.

STAGE: PROFESSIONAL 2

Subject Title:

STRATEGY & LEADERSHIP

Examination Duration: 3.5 hours (Open Book)

Aim

The aim of this subject is to development students' ability to contribute effectively to the strategic management of enterprises through the objective analysis of business situations, the critical evaluation of strategic options and the implementation of change programmes.

Strategy & Leadership as an Integral Part of the Syllabus

Strategy & Leadership integrates and expands the knowledge and skills acquired in many of the subjects at the earlier examination stages. This subject provides a framework for future leaders to analyse, develop and implement strategies for entrepreneurial activities in both growing and established entities.

Stage	Subject	Subject	Subject	Subject	Subject	Subject
P2	Strategic Corporate Finance	Strategic Performance Management	Advanced Corporate Reporting	Strategy & Leadership	Audit Practice and Assurance Services	Advanced Taxation
P1		Managerial Finance	Corporate Reporting	Corporate Laws and Governance	Auditing	
F2		Management Accounting	Financial Accounting	Information Systems	Taxation	
F1			Management in Organisations	Economics and Business Planning	Business Law and Professional Ethics	

Strategy & Leadership further integrates and builds on, as appropriate, the capabilities developed in the earlier subjects, as highlighted in the table above.

Learning Outcomes

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

- Display a detailed understanding of strategic development, marketing and market place strategy.
- Integrate and apply effectively theories and concepts from strategic management and related disciplines such as finance, H.R, Marketing, Operations and I.S. to solve business problems in complex and diverse situations.
- Devise, develop and lead appropriate business strategies in support of entrepreneurial activities and existing organisations.
- Evaluate the importance of knowledge management in strategy implementation, and advise on the implementation of appropriate systems, processes and solutions.
- Develop and promote a business case.
- Students should be able to evaluate what is required at an individual, team and organisational level to initiate and lead complex projects successfully.
- Communicate effectively to a variety of audiences.

Syllabus

1: THE STRATEGY PROCESS		CL*
The Concept of Strategy:	2	
Levels of strategy and planning.		
Setting mission, aims, goals & objectives.		
Matching strategy and structure.		
The competitive environment.		
Ethical, political & social considerations.		
Strategic Management and Operational Management.	2	
Perspectives on Strategy:	2	
Deliberate and emergent strategy.		

The Marketing Dimension: 2

Marketing management concepts.

- Analysing marketing opportunities.
- Market segmentation.
- The marketing mix.
- Strategic planning and marketing management.
- Market place models.

2: THE STRATEGIC POSITION

Environmental Analysis: 3

- The macro environment.
- Industry/Sector analysis. – Market analysis.
- Opportunities & threats.

Assessing Strategic Capability: 3

- Critical success factors.
- Assessing resources.
- Identifying core competencies.
- Benchmarking.
- Assessing strengths and weaknesses.

Measuring Stakeholder Expectations: 3

- Corporate governance.
- Stakeholder analysis.
- Identifying stakeholder expectations.

- Business ethics.

- Cultural considerations.

3: STRATEGIC CHOICES

Corporate Level: 3

- The role of the corporate centre:

- Portfolio manager.

- Corporate core competencies.

- Manager.

- Restructurer.

- Synergy manager.

- Parental developer.

- The Corporate Portfolio.

- The Growth/Share Matrix.

- The Directional Policy Matrix.

- The Relatedness Matrix.

- Corporate Diversification.

Business Level: 3

- Bases of competitive advantage (Price, differentiation, etc.).

- Sustaining competitive advantage.

- Game theory.

- Competition and collaboration.

- Value Innovation.

- Business ecosystems.

- Business case development.

- Supporting the entrepreneur & new venture creation.

Strategy Development: 3

- Directions.

- Methods.

- Success criteria.

4: STRATEGY IMPLEMENTATION

Structure and Processes: 2

Organisation structure.

Planning & control systems (incl. ERP, Balanced Scorecard).

Market mechanisms.

Social/cultural process.

Managing Key Enablers: 2

People:

H.R. Management.

Organisational behaviour.

Leadership:

Culture change.
Knowledge creation.
Theories of Leadership.
Knowledge management.
Leadership Styles.
Power and influence.
Motivation and engagement.

4: STRATEGY IMPLEMENTATION

Information and Technology:

Managing the Change Process. 2

Change management:

Analysing the change situation.

The nature of change.

Changing organisational culture.

Organisational communications.

Project management.

Project objective and scope.

Project teams, sponsors and responsibilities.

Critical path analysis.

Project reporting procedures.

Project evaluation.

Assessment Strategy

EXAMINATION APPROACH

Strategic management is the main focus of the paper. Students are expected to demonstrate a thorough understanding of the processes involved in reviewing competitiveness and evaluating long-term options and the relevant marketing strategies. Individual related business topics are selected for detailed assessment on a planned basis each year, throughout a cycle of examinations (typically three years).

Students are expected to demonstrate strategic thinking and creativity through their ability to analyse business scenarios critically, carry out SWOT analyses and identify/justify innovative strategic options. In addition to understanding business in an Irish context, students should display a global outlook and an awareness of the importance of business ethics and social responsibility in organisations.

A thorough understanding of currently recognised theories and concepts relevant to the above areas and the ability to apply appropriate analytical techniques and business models effectively is essential. Equally important is the capacity for synthesis, demonstrated particularly by integrating areas such as marketing, knowledge management, project management, financial control and organisation behaviour. The ability to communicate clearly and succinctly is an overriding requirement. The marking scheme strongly favours the demonstration of critical analysis, judgment and innovation, rather than the mere identification of concepts and models or descriptive writing about these.

EXAMINATION FORMAT

Assessment is by an open-book examination of 3.5 hours duration. This examination uses a case-study approach to test students' ability to apply critical analysis, demonstrate synthesis and decision-making. It consists of one compulsory question, based on a major case study (worth 50% of the marks for the examination) plus a choice of two out of three optional questions, each worth 25% of the marks for the examination. The optional questions may also refer to material in the major case-study.

In October each year, students will be advised of the business sector within which the organisation upon which the main case-study for each of the following year's examinations will be based. It will be essential for students to undertake their own environmental analysis and research on this sector in preparation for the examinations. The case studies, from 2011 onwards, do not have the same amount of background information as was provided in previous examinations. Given this is an open-book examination students will be allowed to bring their analysis and research with them into the

examination centre for reference, as appropriate, in their answers to the questions.

Marks Allocation	Marks
Section A	
Compulsory Question (Case Study)	50
Choice of 2 questions out of 3 (25 marks each)	50
	Total 100

AccountancyPlus

MANUALS

Griffith College CPA P2 Strategy & Leadership – Latest edition

USEFUL WEBSITES (AS OF DATE OF PUBLICATION)

www.cpaireland.ie - CPA Ireland.

www.marketingteacher.com - Marketing Teacher.

www.strategy-business.com - Strategy + Business.

www.strategyanalytics.com - Strategy Analytics.

Learning Resources

CORE TEXTS

Gerry Johnson, Richard Whittington, Kevan Scholes, Duncan Angwin and Patrick Regnér / Exploring Strategy, 11th Edition / Pearson 2017 / ISBN-10: 129214517X, ISBN-13: 978-1292145174

Richard Daft / Management, 12th Edition / Cengage 2016 / ISBN-13: 978-1285861982

Gregory G Dess, Alan Eisner, G T (Tom) Lumpkin and Gerry McNamara / Strategic Management: Creating Competitive Advantages / McGraw Hill Higher Education 2013 / ISBN-13: 9780077636081

Kotler Philip and Kevin Lane Keller / Marketing Management, 15th Edition / Pearson 2016 / ISBN-13: 978-1292092621

Patrick Gunnigle, Noreen Heraty and Michael J. Morley / Human Resource Management in Ireland, 5th Edition / Institute of Public Administration 2017/ ISBN-13: 978-1-910393-17-8

Laurie J Mullins/ Management and Organisational Behaviour, 11th Edition / Pearson 2016 / ISBN13: 9781292088488, ISBN10: 1292088486

SUPPLEMENTARY TEXTS AND JOURNALS

Kimiz Dalkir / Knowledge Management in Theory and Practice, 3rd Edition / MIT Press 2018 / ISBN-13: 978-0262036870, ISBN-10: 0262036878

Gerry Gallagher / Corporate Strategy for Irish Companies 2nd Edition 2011 / CAI / ISBN-13: 978-1907214653

Harvard Business Review

MIT Sloan Management Review

CPA students' eBulletin

STAGE: PROFESSIONAL 2

Subject Title:

AUDIT PRACTICE & ASSURANCE SERVICES

Examination Duration: 3.5 hours (Open Book)

Aim

The aim of this subject is to prepare students to demonstrate the knowledge, skills and competencies necessary to carry out the audit of an entity and undertake assurance engagements, having due regard to the Institute's and profession's ethical standards in a changing and complex business environment.

Audit Practice and Assurance Services as an Integral Part of the Syllabus

In carrying out the audit of an entity's financial statements it is essential to understand fully the application of the relevant International Standards in Auditing (ISAs), International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs). Many issues that face auditors frequently arise from the accounting treatment of certain financial transactions in the financial statements of the entity.

The study of the subject Auditing at Professional 1 Stage is an essential foundation for the study of *Audit Practice and Assurance Services* at Professional 2 Stage. *Financial Accounting and Information Systems* (at Formation 2 Stage) and *Corporate Reporting and Corporate Laws and Governance* (at Professional 1 Stage) are also essential prerequisites for the study of *Audit Practice and Assurance Services*.

Stage	Subject	Subject	Subject	Subject	Subject	Subject
P2	Strategic Corporate Finance	Strategic Performance Management	Advanced Corporate Reporting	Strategy & Leadership	Audit Practice and Assurance Services	Advanced Taxation
P1		Managerial Finance	Corporate Reporting	Corporate Laws and Governance	Auditing	
F2		Management Accounting	Financial Accounting	Information Systems	Taxation	
F1			Management in Organisations	Economics and Business Planning	Business Law and Professional Ethics	

Audit Practice and Assurance Services integrates and builds on, as appropriate, the capabilities developed in the earlier subjects as highlighted in the table above.

Learning Outcomes

Upon successful completion of this subject, students should be able to:

- Appraise and apply the legal, regulatory and ethical framework to the role of the auditor.
- Access audit risks, and describe the procedures undertaken at the planning stage to meet the objectives of the audit.
- Design, evaluate and report on internal control and financial reporting systems, and identify and communicate control risks, applying these skills to practical situations in both manual and computerised environments.
- Discuss the application of computer-assisted auditing techniques.
- Design, plan and apply audit testing techniques and procedures in the practical application of International Standards on Auditing (Ireland), International Standards on Quality Control (ISQC) (Ireland) and other technical pronouncements related to auditing and assurance situations.
- Evaluate the role of internal audit, including a comparison with the role of the external auditor.
- Draw conclusions, having applied appropriate professional skill, scepticism and judgement.
- Report to shareholders, management and other relevant parties in the course of providing audit and assurance services.
- Plan and perform the necessary work and report on other assurance engagements in the context of agreed terms of reference and the legal, regulatory and ethical framework.
- Undertake audit and assurance engagements with reference to the best practices and developments in Corporate Governance and their application to clients' processes.
- Appraise issues and developments relating to auditing, including audit expectations and developments in the regulation of audits.
- Demonstrate an ability to work within a professional and ethical framework.

Syllabus

1: LEGAL AND REGULATORY ENVIRONMENT

CL*

An in-depth knowledge of the Companies Act / Orders and relevant EU directives and other company law legislation affecting the auditor. 3

Responsibilities imposed on auditors of Irish Stock Exchange (ISEQ) and London Stock Exchange listed companies and legal responsibilities to shareholders. 2

An in-depth knowledge of standards and other technical pronouncements issued by the IASB, IAASB and the IAASA. 3

A detailed awareness of case law decisions and their implications for the auditing process. 2

An in-depth knowledge of other legal liabilities affecting auditors and accountants in providing audit and assurance services. 2

2: ETHICS

Application of the CPA Code of Ethics. 3

The fundamental principles of professional ethics. 3

Threats and safeguards. 3

Responsibilities to clients and colleagues. 3

Other responsibilities and practices including: 3

- Changes in professional appointments.

- Use of lien in fee disputes.

- Advertising and publicity.

- Use of professional designations.

Conflicts of interests. 3

Code of confidentiality.	3
Professional liability and indemnity.	3
Misconduct and negligence.	3
Ethical Standard for Auditors (Ireland) 2016	3

3: INTERNAL CONTROLS AND FINANCIAL SYSTEMS

The definition of the control environment and control procedures.	3
Effective internal controls.	3
The limitations on the effectiveness of internal controls.	3
Ascertaining and understanding internal control systems: narrative notes, flowcharts, checklists, internal control questionnaires, walk through tests.	3
Evaluation and assessment of accounting systems and internal control systems and subsequent impact on audit work.	3
Reliance on internal controls and internal audit.	3
The principles and control procedures in a computer environment, including system analysis and design considerations.	2
The use of computer-assisted audit techniques.	2

4: RISK ASSESSMENT & AUDIT PROCESS

New engagements.	3
The strategic design and planning of an audit and knowledge of the client's business.	3
The review of financial statements to include analysis and critical assessment.	3
Quality control and recording of the audit.	3

The evaluation and testing of control procedures and audit evidence.	3
The design and carrying out of tests of substance on specific audit areas.	3
Consideration of materiality, audit risk, reliance on other specialists, events after the reporting period, contingencies, related parties.	3
Use of experts.	3
Characteristics of fraud and the responsibility of auditors for detecting material misstatement due to fraud.	3

5: REPORTING

Reporting on Audited Financial Statements.	3
Key concepts: opinion, true and fair view, materiality, statutory requirements.	3
Basic elements of the Auditor's Report.	3
Modified Reports, differentiating between	3
Matters that do not affect the auditor's opinion, and	
Matters that do affect the auditor's opinion.	
Circumstances giving rise to Modified Reports.	3
Limitations on scope.	
Disagreements with management.	
Auditor's responsibility before and after the date of the Auditor's Report.	3
Auditor's responsibility for other information in documents (e.g. Annual Report) containing audited financial statements.	3

6: SPECIAL AUDITS AND OTHER ASSURANCE ENGAGEMENTS

Relevant audit planning, execution (including internal control implications), reporting and professional practice considerations concerning: 2

Group audits, small business audits (including small business exemption), not-for-profit audits, first time audits. 2

Prospectuses and other offering documents (investment circulars): historical year-end financial statements, interim financial statements, and future oriented information. 2

Other types of historical financial assurance engagements: financial statements review engagement (Accountant's Report), financial statements compilation engagements (Compilation Report), audit or review of specific financial information (e.g. sales figures for retail park leases), compliance with agreements (e.g. loan covenants), agreed-upon procedures. 2

Assurance on internal controls in service organisations (eg: data processing company). 2

Other types of audits: value for money/ operational, social and environmental, health and safety, forensic (fraud identification, analysis and assessment). 2

7: CORPORATE GOVERNANCE

The Code of Best Practice (based on Cadbury Report) 3

Audit Committees – structures, roles, benefits and drawbacks. 3

Roles and effectiveness of Non-Executive Directors. 3

Anti-Money Laundering Procedures. 2

The Combined Code (of the Committee on Corporate Governance) 2

UK Corporate Governance Code 2018. 2

8: CURRENT ISSUES

The current issues and developments relating to auditing, including audit expectations and developments in the regulation of audits. 2

FINANCIAL REPORTING AND AUDITING STANDARDS:

See Examinable Material Document on pages 92 to 99 for details of the Financial Reporting and Auditing Standards etc. applicable to this examination.

COMPANIES ACT:

See Examinable Material Document on pages 92 to 99 for details of the Companies Act applicable to this examination.

Assessment Strategy

EXAMINATION APPROACH

The subject should be approached on the basis that it is a final professional stage examination. It builds on the knowledge gained at Professional 1 Stage in relation to the core auditing issues. The 50-mark case-study question presents opportunities for students to display logical and analytical thinking and critical analysis. Questions require students to write reports, which must be tailored to the technical knowledge of the target audience. Students are also presented with the opportunity to demonstrate professional judgement and ethical sensitivity.

Particular attention must be paid to the interaction between the various elements of the syllabus and other subjects studied. Students are expected to select and integrate relevant syllabus material from Audit Practice and Assurance Services and other subjects as appropriate. They must also be able to appraise and defend the audit function and its impact on financial statements and the maintenance of standards.

EXAMINATION FORMAT

Assessment is by an open-book examination of 3.5 hours duration. The examination consists of Section A, with one compulsory question, based on a case-study (worth 50% of the marks for the examination) and Section B, with a choice of two out of three elective questions, which may refer also to material in the major case-study and / or be based on minor case studies, each worth 25% of the marks for the examination.

Marks Allocation	Marks
Section A	
■ Compulsory Question (Case Study)	■ 50
Section B	
■ Choice of 2 questions out of 3 (25 marks each)	■ 50
	Total 100

Learning Resources

CORE TEXTS;

The Audit Process, Principles, Practice & Cases 6th edition/Gray, Manson and Crawford / Cengage 2015 / ISBN-13: 978-1408081709

Guide to Using International Standards on Auditing in the Audits of Small- and Medium-Sized Entities /3rd Edition 2011 / IFAC / ISBN-13: 978-1608150991 Published in two volumes freely available for download from:

Volume 1:

www.ifac.org/sites/default/files/publications/files/SMP-ISA-Audit-Guide-Volume-1-3e.pdf

Volume 2:

<http://www.ifac.org/sites/default/files/publications/files/SMP-ISA-Audit-Guide-Volume-2-3e.pdf>

Technical Material:

1. Assurance and Quality Control Standards

International Standards on Auditing (Ireland).

– International Standards on Assurance Engagements (ISAEs).

International Standards on Review Engagements (ISREs).

ISQC (Ireland) Quality control for firms that perform audits and reviews of financial statements and related services engagements.

These are available from the Irish Auditing and Accounting Supervisory Authority www.iaasa.ie.

2. Financial Accounting and Reporting Standards

International Financial Reporting Standards (IFRSs) EU Endorsed are available from the European Commission on http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

The International Standards on Auditing Ireland are available from the Irish Auditing and Accounting Supervisory Authority www.iaasa.ie.

3. Ethical Standards

Ethical Standard for Auditors (Ireland) 2016 are available from Irish Auditing and Accounting Supervisory Authority www.iaasa.ie. 3

CPA – Code of Ethics, available from the CPA website at www.cpaireland.ie

4. Examinable Material Document

See pages 92 to 99

SUPPLEMENTARY TEXTS AND JOURNAL

Principles of External Auditing 4th ed / Porter, Hatherly, Simon / Wiley 2014 / ISBN-13: 9780470974452

Cosserat / Modern Auditing / Wiley / 3rd Edition 2009 / ISBN-13: 978-0470319734

External Auditing and Assurance: An Irish Textbook 2nd Edition by Martin Nolan and Christine Nangle Revised/2016/ICAI/ ISBN-13: 978-1910374696

AccountancyPlus

CPA Students' eBulletin

USEFUL WEBSITES (AT DATE OF PUBLICATION)

www.cpaireland.ie – CPA Ireland.

www.iaasa.ie/ – Irish Auditing and Accounting Supervisory Authority.

www.frc.org.uk/About-the-FRC/FRCstructure/Former-FRC-structure/AuditingPractices-Board.aspx – Auditing Practices Board

www.ifac.org/auditing-assurance – International Auditing & Assurance Standards Board

www.ifac.org – The International Federation of Accountants.

www.ifrs.org/ – The International Financial Reporting Standards Foundation.

www.frc.org.uk/About-the-FRC/FRCstructure/Audit-and-Assurance-Council.aspx, FRC – Audit and Assurance Council

frc.org.uk/About-the-FRC/FRCstructure/Accounting-Council.aspx, FRC Accounting Council

www.frc.org.uk/About-the-FRC/FRCstructure/Conduct-Committee.aspx, FRC-Conduct Committee

www.accountingnet.ie/ – Irish Accounting and Business Portal.

STAGE: PROFESSIONAL 2

Subject Title:

STRATEGIC CORPORATE FINANCE

Examination Duration: 3.5 hours (Open Book)

Aim

The aim of this subject is to develop students' critical understanding of the key responsibilities and financing decisions facing today's strategic financial manager. Students should be able to develop detailed business plans, to assess potential financial risks, and to advise on suitable risk management strategies for entrepreneurial activities as well as established organisations.

Strategic Corporate Finance as an Integral Part of the Syllabus

Strategic Corporate Finance develops the financial management knowledge and skills acquired by students in Managerial Finance (P1) and other disciplines acquired in the earlier examination stages. *Strategic Corporate Finance* requires students to integrate and expand that knowledge so as to provide a framework for strategic financial management analysis and decisions.

Stage	Subject	Subject	Subject	Subject	Subject	Subject
P2	Strategic Corporate Finance	Strategic Performance Management	Advanced Corporate Reporting	Strategy & Leadership	Audit Practice and Assurance Services	Advanced Taxation
P1		Managerial Finance	Corporate Reporting	Corporate Laws and Governance	Auditing	
F2		Management Accounting	Financial Accounting	Information Systems	Taxation	
F1			Management in Organisations	Economics and Business Planning	Business Law and Professional Ethics	

Strategic Corporate Finance further integrates and builds on, as appropriate, the capabilities developed in the earlier subjects, as highlighted in the table above.

Learning Outcomes

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

- Evaluate the financial objectives of an organisation and explain how they are determined and interrelate with the non-financial objectives and stakeholder interests.
- Discuss the legal regulations, and the professional and ethical considerations facing financial managers.
- Value shares / businesses in the context of a proposed merger, acquisition or management buyout.
- Analyse reasons for and advise on actions to prevent corporate failure.
- Evaluate and advise as to the optimum capital gearing structure, term structure and dividend policy for an organisation.
- Advise as to appropriate exchange risk and interest rate risk management strategies, and discuss the use of derivatives in long-term risk management.
- Discuss the relevance of portfolio theory and the Capital Asset Pricing Model for financial managers.
- Prepare a business plan for an organisation, given prescribed information.
- Evaluate the financial management of an organisation over a period of time and/or relative to competitors / industry norms.

Syllabus

1: FINANCIAL ENVIRONMENT	CL*
Financial objectives within the strategic planning process.	3
Key stakeholders of organisations and the interests of each stakeholder group.	3
Corporate Social Responsibility, its relationship to the objective of maximising shareholder wealth.	3
Agency theory and its relevance to financial managers.	3

The professional, regulatory and legal framework relevant to financial management including: City Code and stock exchange requirements, money laundering, directors' responsibilities.	3
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Monetary regulation in the US and EU and its effect on Capital Markets.	3
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The key activities undertaken by treasury managers.	3
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Centralised treasury management and the arguments for and against.	3
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The efficient market hypothesis.	3
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2: MERGERS AND ACQUISITIONS

Organic and acquisitive corporate growth.	3
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Mergers and acquisitions, the arguments for and against.	3
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Procedures to be complied with during an acquisition.	3
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Valuation of an organisation in the context of a potential takeover, using both the earnings and assets-based methodologies.	3
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The significance of Value Gaps and the information efficiency of capital markets.	3
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Methods of financing mergers and takeovers, including cash, debt, equity and hybrids.	3
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Defence tactics used during a hostile takeover.	3
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The role of legal and financial due diligence during a merger/acquisition.	3
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The attractions and risks associated with Management Buy Outs (MBOs).	3
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Sources of finance for MBOs.	3
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The advantages and disadvantages of management buy-ins (MBIs).	3
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2: MERGERS AND ACQUISITIONS

The arguments for and against a quoted company going private. 3

3: CORPORATE FAILURE

The symptoms and causes of corporate failure. 3

Avoidance of corporate failure. 3

The nature, scope and elements of working capital and the importance of effective working capital management to corporate survival. 3

Overtrading- symptoms, causes and remedies. 3

4: SOURCES OF FINANCE

Equity and debt financing. The attractions and risks associated with each. 3

Short, medium and long-term funding. 3

Optimising the gearing structure of an organisation. 3

Modigliani and Miller's theory of corporate financing in perfect capital markets 3

Relaxation of the perfect capital market assumption; the optimum capital structure of a firm. 3

Dividend Policy - Modigliani and Miller's theory of dividend policy in perfect capital market 3

The Signalling and the clientele approaches to dividend policy 3

The influence of taxation on dividend policy 3

Dividend policy - key considerations. Including theories of Modigliani and Miller and Myers Pecking Order Hypothesis. 3

Dividend policy. 3

5: FINANCIAL RISK MANAGEMENT

The key financial risks facing an organisation. 2

Currency risk - transaction, translation and economic exposure. 2

The workings of the foreign exchange markets. 2

The relationship between foreign exchange rates and interest rates in different countries. 2

Forward Exchange Contract and Money Market hedges. 2

Other forms of exchange rate risk management including, netting, leading and lagging, currency swaps, currency futures and currency options. 2

Exchange risk management strategies. 2

Interest rate options, swaps, forwards, futures and swaptions. 2

Interest rate risk management strategy.

Recognition and management of long-term term operating exposure to foreign currency risk. 2

6: COST OF CAPITAL

The relationship between risk and return	3
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Weighted Average Cost of Capital (WACC) - calculate and discuss uses and limitations.	
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Portfolio diversification, estimate the risk and return of a portfolio.	3
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The relevance of portfolio theory to practical financial management.	3
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The Capital Asset Pricing Model (CAPM) – application and limitations.	3
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7: FINANCIAL ANALYSIS AND BUSINESS PLANNING

Preparation of long-term business plans from prescribed information.	3
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Appraise capital investment options using NPV, IRR and Payback criteria.	3
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Evaluation of a business plan from the perspective of an equity investor or provider of debt funding.	3
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Assessment of an organisation's current financial position.	3
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Comparison and evaluation of the financial management of an organisation with that of competitors and industry norms.	3
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Preparation, evaluation and discussion of key financial management indicators based on the published financial statements of an organisation.	3
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Benchmarking of selected financial KPIs against companies in the same industry sector.	3
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Assessment Strategy

Examination Approach This examination uses a case-study approach to test students' ability to apply technical skills, critical analysis, and demonstrate synthesis and

decision-making. It also tests communication skills and familiarity with contemporary business issues. Questions require students to write reports, which must be tailored to the technical knowledge of the target audience. Students are also presented with the opportunity to demonstrate professional judgement and ethical sensitivity.

EXAMINATION FORMAT

Assessment is by an open-book examination of 3.5 hours' duration. It consists of one compulsory question, based on a case-study (worth 50% of the marks for the examination) plus a choice of two out of three optional questions, which may refer also to material in the major case-study and / or be based on mini case studies, each worth 25% of the marks for the examination.

Marks Allocation

Marks

The total for the paper is 100 marks.

Question 1 Case Study (Compulsory)	50
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Questions 2 to 4	50
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(Answer any two, each carries 25 marks)

Total	100
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Learning Resources

CORE TEXTS

Arnold / Corporate Financial Management 5th Edition/ Pearson 2012 / ISBN-13: 9780273758839

MANUALS

Griffith College, CPA P2 Strategic Corporate Finance - Latest edition

SUPPLEMENTARY TEXTS AND JOURNALS

Power, Walsh and O Meara 3rd ed / Financial Management / An Irish Text, Gill & Mc Millan / 2009 / ISBN-13: 978-0717145546

Pilbeam / Finance and Financial Markets / 3rd edition McMillan 2010 / ISBN-13: 978-0230233218

CPA Students' eBulletin Recommended Journals
Financial Director. Harvard Business Review. Investment International. Accounting and Business. Accountancy Plus.

USEFUL WEBSITES (AS AT DATE OF PUBLICATION)

www.cpaireland.ie - CPA Ireland.

www.ise.ie - The Irish Stock Exchange.

www.ifsra.ie - The Financial Regulator.

www.cfo.com -CFO.com

www.ifac.org/ - International Federation of Accountants.

www.ft.com - Financial Times.

www.wsj.com - The Wall Street Journal online.

www.investmentinternational.com - Investment International.

STAGE: PROFESSIONAL 2

Subject Title:

STRATEGIC PERFORMANCE MANAGEMENT

Examination Duration: 3.5 hours (Open Book)

Aim

The aim of this subject is to ensure that students have the necessary expertise and competence to conduct a critical, strategic analysis of unfamiliar business situations. This includes the ability to select, integrate and apply the appropriate techniques and approaches in order to identify problems, opportunities and recommend strategies in specific situations.

Strategic Performance Management as an Integral Part of the Syllabus

This subject builds on the technical knowledge of *Managerial Finance*, *Management Accounting*, and other disciplines acquired in the earlier examination stages. *Strategic Performance Management* requires students to integrate and expand that knowledge so as to provide a framework for strategic analysis of business issues.

Stage	Subject	Subject	Subject	Subject	Subject	Subject
P2	Strategic Corporate Finance	Strategic Performance Management	Advanced Corporate Reporting	Strategy & Leadership	Audit Practice and Assurance Services	Advanced Taxation
P1		Managerial Finance	Corporate Reporting	Corporate Laws and Governance	Auditing	
F2		Management Accounting	Financial Accounting	Information Systems	Taxation	
F1			Management in Organisations	Economics and Business Planning	Business Law and Professional Ethics	

Strategic Performance Management further integrates and builds on, as appropriate, the capabilities developed in the earlier subjects as highlighted in the table above.

Learning Outcomes

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

- Select, integrate, and apply strategic performance management techniques appropriate to the particular context of specific (but novel and possibly unstructured) business situations described in a case-study, through the application of critical strategic thinking, appropriate professional scepticism and ethical judgement.
- Justify a portfolio of strategic performance management techniques selected by reference to the particular illustrative context of a case-study situation (and not merely by repetition of abstract or textbook knowledge) and:
- Predict the strategic advantages for the organisation of applying the proposed techniques in the particular situation;
- Predict any possible adverse side-effects and propose means of minimising such effects.
- Critically evaluate existing and proposed strategic performance management structures as described in a particular case study, and:
- Construct an improved set of strategic performance management structures which builds on any identified strengths of existing structures while implementing any new structures identified as necessary;
- Justify the improved set of strategic performance management structures in its totality (as opposed to justifying only specific elements in a disconnected fashion).
- Assess the likely effects of existing and proposed strategic performance management structures on intraorganisational behaviours, work practices, and group norms (in the context of the business situation of an entity described in a case-study) and:
- Propose means of ameliorating any adverse effects.
- Propose means of maximising the extent and strategic advantage of any favourable effects.
- Evaluate the implications for particular organisations' strategic performance management systems of emerging developments in the fields of information technology (including e-commerce), business process re-engineering, benchmarking, and corporate governance.
- Propose changes to the strategic performance management systems of a specific organisation described in a case study in the light of such emerging developments.

Syllabus

1: ADVANCED DECISION-MAKING	CL*
Pricing decisions (including strategic considerations, revenue management, profit maximisation, services pricing, and product bundling).	3
Target costing and Lifecycle costing.	3
Product and segment profitability analysis.	
Customer profitability analysis.	3
Theory of constraints, throughput and backflush accounting.	3
Activity-based analysis for decision making.	3
Measuring and managing uncertainty (including risk appraisal, expected values, maximax/ maximin and sensitivity analysis).	3
Decision making with multiple limiting factors including the formulation of problems and interpretation of results using linear programming and the simplex algorithm.	3
Assessment of mutually exclusive projects, projects with unequal lives.	3
2: PLANNING AND CONTROL	
The purpose of budgetary control systems.	3
Alternative approaches to budgeting, including incremental budgeting, zero-based budgeting, activity-based budgeting, rolling budgets, and 'beyond budgeting' approaches.	3
Budgetary control of engineered, committed and discretionary costs.	3
Advanced variance analysis (including sales mix and yield; materials mix and yield; planning & operational; market size and market share).	3

2: PLANNING AND CONTROL

Critical appraisal of standard costing and variance analysis in modern manufacturing environments. 3

Advantages and disadvantages of forecasting techniques including; time series, trend analysis, smoothing techniques and seasonal variances. 3

3: PERFORMANCE EVALUATION

Divisional profitability: Return on investment and residual income. 3

The distinction between economic and managerial performance evaluation. 3

Economic value added ®. 3

Value-based management. 3

Transfer pricing (including cost-plus, market, negotiated and dual prices). 3

Interaction of transfer pricing and taxation. 3

4: PERFORMANCE MEASUREMENT SYSTEMS

Mission statements, objectives, strategies and goals. 3

Performance measurement in modern manufacturing environments including JIT, TQM, world class manufacturing, and supply chain management issues. 3

Scenario planning e.g. 'what if' analysis. 3

Alternative competitive strategies. 3

Monitoring of the external environment (including competitor accounting). 3

Financial and non-financial performance measurement. 3

Performance measurement models, including the balanced scorecard. 3

Incentive schemes. 3

5: CURRENT DEVELOPMENTS IN STRATEGIC PERFORMANCE MANAGEMENT

Benchmarking. 2

Impact of developments in information technology and e-commerce. 2

Business process re-engineering. 2

Corporate governance. 2

Assessment Strategy

EXAMINATION APPROACH

Students should approach the examination of this subject in the knowledge that it requires an ability to demonstrate a high level of intellectual, technical, organisational, managerial and communications skills. A single case study scenario is presented to students. Skills assessed include the ability to perform critical analysis of relatively unstructured problems, to analyse available qualitative and quantitative information, to think strategically, and to exercise professional judgment, including appropriate professional scepticism and consideration of ethical issues in arriving at recommended solutions to business problems.

Students are expected to select and integrate relevant syllabus material from Strategic Performance Management and other subjects where this is appropriate to the analysis and solution of the case study. The case-study questions will indicate, in broad terms, what issues need to be addressed and analysed, but in many instances students will be expected to determine for themselves what specific form that analysis should take and to justify their chosen form of analysis in the specific case.

EXAMINATION FORMAT

Assessment is by an open-book examination of 3.5 hours duration based on a single case-study scenario, on which students are required to answer a number of questions. The number of questions will not be exactly the same every year, because it is important that the

examiner should have the flexibility to ask questions in the manner most appropriate to the case.

Marks Allocation	Marks
The total for the paper is 100 marks.	
Case Study - A number of questions up to a maximum of:	100

Learning Resources

CORE TEXTS

W. Seal, C. Rohde, R. H. Garrison & E. W. Noreen / Management Accounting / McGraw-Hill 5th ed 2015 / ISBN-13: 978-0077157500

Drury / Management & Cost Accounting 10th ed / Cengage 2018 / ISBN-13: 978-1473748873

C. T. Horngren / A. Bhimani, S. M. Datar & M. Rajan / Management and Costing Accounting / 6th ed 2015 Pearson/ ISBN-13: 9781292063461

MANUALS

Griffith College, CPA P2 Strategic Performance Management - Latest edition

SUPPLEMENTARY TEXTS AND JOURNALS

Z. Hoque / Strategic Management Accounting / Pearson 2nd Edition 2006 / ISBN-13: 9780733984457

Bowhill/ Business Planning and Control : Integrating Accounting, Strategy, and People / Wiley 2008 / ISBN-13: 978-0470061770

R. N. Anthony & V. Govindarajan / Management Control Systems / McGraw Hill / 1st European edition 2014 / ISBN-13: 978-0077133269

A. A. De Waal / Strategic Performance Management: A Managerial and Behavioural Approach / Palgrave 2nd ed. 2013 / ISBN-13: 978-0230273856

Stevenson / Operations Management / McGraw Hill 12th ed 2015 / ISBN-13: 9780078024108.

Management Accounting by John Burns, Martin Quinn, Liz Warren, Joao Oliveria, 2013 -McGraw Hill, ISBN-13: 978-0077121617

Clarke P / Managerial Accounting, Costing, Decision-making and Control / 3rd Edition 2016 / CAI / ISBN-13: 978-1910374672

AccountancyPlus.

CPA Students' eBulletin.

USEFUL WEBSITES (AS OF DATE OF PUBLICATION)

www.cpaireland.ie - CPA Ireland.

www.ifac.org/ - International Federation of Accountants.

www.investmentinternational.com - Investor International.

www.accountingeducation.com - Accounting Education.com.

www.hoovers.com - Hoovers.com.

Companion websites to core and supplementary texts – see texts for addresses and passwords.

STAGE: PROFESSIONAL 2

Subject Title:

ADVANCED TAXATION

Examination Duration: 3.5 hours (Open Book)

Aim

The aim of this subject is to ensure that students understand and can apply the principles and practice of advanced taxation, and are able to identify and resolve practical taxation problems. Students are expected to interpret and apply relevant case law and to advise on the most tax efficient structures.

Advanced Taxation as an Integral Part of the Syllabus

Advanced Taxation develops the students' knowledge and competence in tax acquired in Taxation (F2). There are also linkages to, Advanced Corporate Reporting, Audit Practice and Assurance Services, Strategy & Leadership, Strategic Corporate Finance, and Strategic Performance Management (all at P2).

Stage	Subject	Subject	Subject	Subject	Subject	Subject
P2	Strategic Corporate Finance	Strategic Performance Management	Advanced Corporate Reporting	Strategy & Leadership	Audit Practice and Assurance Services	Advanced Taxation
P1		Managerial Finance	Corporate Reporting	Corporate Laws and Governance	Auditing	
F2		Management Accounting	Financial Accounting	Information Systems	Taxation	
F1			Management in Organisations	Economics and Business Planning	Business Law and Professional Ethics	

Advanced Taxation further integrates and builds on, as appropriate, the capabilities developed in Taxation (F2).

Learning Outcomes

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

- Apply the computational rules for Income Tax in the preparation of Income Tax returns and advise on appropriate tax planning measures, including the use of available reliefs and allowances.
- Apply the computational rules for Corporation Tax in the preparation of Corporation Tax returns and advise on appropriate tax planning measures including the use of available reliefs.
- Apply the computational rules for Capital Gains Tax in the preparation of Capital Gains Tax returns and advise on appropriate tax planning measures including the use of available reliefs.
- Advise on the requirements of a Revenue Audit so as to enable client / employer compliance.
- Advise clients and or management on the operation of the VAT system and provide appropriate tax planning advice with respect to VAT.
- Advise clients and or management on the operation of the Capital Acquisition Tax (CAT) system and provide appropriate tax planning advice with respect to CAT
- Discuss the principles of Stamp Duties and calculate any duty tax payable having optimised the use of any available reliefs.
- Integrate their learning across the various (examinable) tax heads in the appraisal of complex tax issues so as to provide clients and or management with optimum tax planning advice that is within the legal and ethical frameworks.

Syllabus

1: INCOME TAX	CL*
Residence and domicile.	3
Cases I, II, III, IV and V of Schedule D.	3
Schedule E.	3
Schedule F.	3
Tax-Based Incentives.	3

Withholding Taxes.	3
Charges.	3
Exemptions.	3
Anti-Avoidance.	3
Employment and Investment Incentive Scheme, Film Relief and Seed Capital Relief.	3
Employee incentive schemes including profit sharing schemes, ESOTS and Save As You Earn Schemes.	2
Special Assignee relief programme	1
Foreign Earnings deduction	3
Double taxation relief available to individuals	2
Income Tax position of trustees and beneficiaries of Irish trusts	2
Research and Development credit surrender for key employees	2

2: CORPORATION TAX

Adjustments to the accounting profits for tax purposes, claiming capital allowances, and the impact of changes to accounting periods	3
Close companies, including definitions, meaning of participator and effect of close company status. Distributions, including meaning of distribution, classes of distribution and their calculation and dividend withholding tax.	3
Groups, including annual payments and losses for Groups / Consortia.	3

2: CORPORATION TAX

Utilisation of losses, including Cases I, III, IV, V losses, terminal losses and capital losses. 3
Corporation Tax Reliefs, including tax incentives, R&D Tax Credits, Holding Company Regime.
Company Residence, Double Taxation Relief, and treatment of branches.
Exemption for start-up companies.

Anti-avoidance. 2

3: CAPITAL GAINS TAX

Computation of Capital Gains Tax liabilities for both individuals and companies. 3

Share Valuations 3

The scope of Capital Gains Tax Retirement Relief. 3

Capital Gains Tax and trusts 3

Revised Entrepreneur Relief 3

Transfer of business to company. 3

Development land. 3

Wasting Assets. 3

Interaction with CAT. 3

Acquisition by a company of its own shares. 3

Principal Private Residence Relief. 3

Paper for paper relief. 3

Group Transfers. 3

Reconstruction relief. 3

Clearance Certificates/Withholding tax. 3

Anti-avoidance. 2

Negligible value claims 2

4: REVENUE AUDITS

The Code of Practice for Revenue Audit; the Customer Service Charter; the role of Special Investigations 3

Mandatory disclosure 3

Revenue powers. 3

Prosecution policy within the Revenue 3

Penalties and Interest. 3

5: VAT

General principles of VAT. 3

Supplies of goods. 3

Supplies of services. 3

Exemptions. 3

Amount on which tax is chargeable. 3

VAT rates, self supplies. 3

VAT on property. 2

EU VAT legislation/regulations. 2

International Transactions. 2

Anti-avoidance. 2

6: CAPITAL ACQUISITIONS TAX

Principles of CAT including territorial scope.	3
General exemptions including significant buildings and works of art.	3
Agricultural Relief.	3
Business Property Relief.	3
The use and taxing of Discretionary Trusts.	2
Anti-avoidance.	2

7: STAMP DUTY

Stamp Duty including transfers between associated companies and reconstruction / amalgamation relief.	1
Stamp Duty with respect to property transactions.	1
Anti-avoidance.	1
Stamp duty on transfers to young trained farmers.	1

Assessment Strategy**EXAMINATION APPROACH**

This subject should be approached on the basis that it is the final subject in taxation and is mandatory for those students wishing to satisfy the requirements to obtain a practising certificate, post qualification. The examination paper is equally balanced between tax planning and tax computation. Marks are awarded for structured and rationally based conclusions. Students are expected to select and integrate relevant syllabus material from Advanced Taxation and other subjects where this is appropriate to the analysis and solution of the case-study.

Students are required to analyse complex tax issues and integrate their learning across different tax heads. They should apply that learning to provide the optimal tax planning guidance within the legal and ethical frameworks. Overall, students are expected

to demonstrate a high level of intellectual, technical, personal and communications skills including analytical, numeracy, ethical sensitivity, and report writing competencies.

EXAMINATION FORMAT

The examination is open book and 3.5 hours duration. It consists of one compulsory 40-mark case-study, and four questions of 20 marks each, three of which must be answered.

Marks Allocation	Marks
Question 1 case-study (Compulsory)	40
Questions 2 to 5 (Answer any three)	60
	Total 100

Learning Resources**CORE TEXTS**

Corporate and Individual Tax Planning (RoI) 2018/19 / CAI / 2018

Business Decisions and Transaction Taxes (RoI) 2018/19 / CAI / 2018

Irish Taxation Advanced (Finance Act 2017) / Paula Byrne/ Griffith College/ ISBN: 978-1999304706

SUPPLEMENTARY TEXTS

Martyn and Shanahan / Taxation Summary Finance Act 2017 / Irish Taxation Institute.

Tax Guide 2015; A Guide to Irish Law / Bloomsbury 2015 / ISBN-13: 978-1780437002

Irish Taxation: Law & Practice 2018/2019 / Irish Taxation Institute 2018

Revenue Statements of Practice & Tax Briefings.

AccountancyPlus.

CPA Students' eBulletin

USEFUL WEBSITES (AS AT DATE OF PUBLICATION)

www.cpaireland.ie - CPA Ireland.

www.revenue.ie - The Revenue Commissioners' website.

www.taxworld.ie/ - Taxworld.

www.taxinstitute.ie - Irish Tax Institute

International Financial Reporting Standards

		Financial Accounting	Corporate Reporting	Advanced Corporate Reporting	Auditing	Audit Practice & A.S.
		Competency Level				
Conceptual Framework for Financial Reporting		1	2	3	2	3
IAS 1	Presentation of Financial Statements	1	2	3	2	2
IAS 2	Inventories	2	2	3	2	2
IAS 7	Statement of Cash Flows	1(i)	2	3	n/a	1
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	1	2	3	2	2
IAS 10	Events After the Reporting Period	2	2	3	2	2
IAS 12	Income Taxes	n/a	2 (ii)	3	n/a	2
IAS 16	Property, Plant and Equipment	2	2	3	2	3
IAS 19	Employee Benefits	n/a	n/a	2	n/a	n/a
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	2	2	3	2	2
IAS 21	The Effects of Changes in Foreign Exchange Rates	2(iii)	2	3(iv)	n/a	2
IAS 23	Borrowing Costs	n/a	2	3	2	2
IAS 24	Related Party Disclosures	n/a	n/a	3	n/a	2
IAS 27	Separate Financial Statements	n/a	2	3(iv), (v)	n/a	2
IAS 28	Investments in Associates and Joint Ventures	n/a	2	3	n/a	2
IAS 32	Financial Instruments: Presentation	n/a	1	2	n/a	1
IAS 33	Earnings per Share	n/a	2(vi)	3	n/a	2

		Financial Accounting	Corporate Reporting	Advanced Corporate Reporting	Auditing	Audit Practice & A.S.
		Competency Level				
Conceptual Framework for Financial Reporting		1	2	3	2	3
IAS 34	Interim Financial Reporting	n/a	1	1	n/a	2
IAS 36	Impairment of Assets	n/a	1	3	1	2
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	2	2(v)	3	1	2
IAS 38	Intangible Assets	2	2	3	2	2
IAS 39	Financial Instruments: Recognition and Measurement	n/a	1(viii)	2 (viii)	n/a	1 (viii)
IAS 40	Investment Property	n/a	2	3	1	2
IAS 41	Agriculture	n/a	1	1	n/a	n/a
IFRS 1	First-time Adoption of International Financial Reporting Standards	n/a	2	3	2	2
IFRS 2	Share-based Payment	n/a	n/a	2	n/a	n/a
IFRS 3	Business Combinations	n/a	2	3	2	1
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	n/a	2	3	n/a	2
IFRS 7	Financial Instruments: Disclosures	n/a	1	2	n/a	1
IFRS 8	Operating Segments	n/a	2	2	n/a	2
IFRS 9	Financial Instruments	n/a	1	2	n/a	1
IFRS 10	Consolidated Financial Statements	n/a	2 (v)	3 (iv), (v)	n/a	2
IFRS 11	Joint Arrangements	n/a	1	3	1	2

		Financial Accounting	Corporate Reporting	Advanced Corporate Reporting	Auditing	Audit Practice & A.S.
		Competency Level				
Conceptual Framework for Financial Reporting		1	2	3	2	3
IFRS 12	Disclosure of Interests in Other Entities	n/a	1	2	n/a	2
IFRS 13	Fair Value Measurement	n/a	2	3	n/a	2
IFRS 15	Revenue from Contracts with Customers	2	2	3	2	2
IFRS 16	Leases	n/a	2	3	n/a	2
FRS 100	Application of Financial Reporting Requirements	1	1	1	n/a	n/a
FRS 101	Reduced Disclosure Framework	1	1	1	n/a	n/a
FRS 102	Financial Reporting Standard Applicable in the UK and ROI	1	1	1	n/a	n/a
FRS 104	Interim Financial Reporting	1	1	1	n/a	n/a
FRS 105	The Financial Reporting Standards applicable to the Microentity Regime	1	1	1	n/a	n/a

Notes:

(i) Cash flow statements for groups will be examined at P1 and P2 only.

(ii) Deferred tax not included.

(iii) Examinable for Individual transactions.

(iv) Closing rate method of foreign currency consolidation only, examinable.

(v) Piecemeal acquisition or disposal and sub subsidiaries not included.

(vi) Basic earnings per share only, examinable.

(vii) The examinable standards are those in issue at 31 August 2017.

(viii) Questions maybe answered with reference to IFRS 9 where relevant.

IFRS Practice Statement

Advanced
Corporate
Reporting

Audit
Practice &
A.S.

MISCELLANEOUS TECHNICAL STATEMENTS		ADVANCED CORPORATE REPORTING	AUDIT PRACTICE & A.S.
COMPETENCY LEVEL			
Management Commentary (Dec 2010)		2	1
Miscellaneous Technical Statements		Advanced Corporate Reporting	Audit Practice & A.S.
Competency Level			
M9	Accounting for goods sold subject to reservation of title	2	2
M14	Compiling and reporting on Financial Statements not subject to Audit (Revised January 2014)	N/A	2
M22	Credit Unions-Republic of Ireland	N/A	1
M31	Accounting for the redemption and purchase of own shares by companies in the Republic of Ireland	1	N/A
M32	Related Party Disclosures	2	2
M39	Reporting to third parties	2	N/A
M45	Grant Claims	N/A	2
M46	Reporting to the Financial Regulator under the Central Bank and Financial Services Authority of Ireland Act 2004	N/A	1
M47	Guidance for reporting in accordance with the Client Money Requirements issued by the Financial Regulator in February 2004	N/A	1

Research Papers and Learned Journals

Details of current Research Papers and Learned Journals examinable at the Professional 2 stage are published in the Syllabus and Exam area of the

Institute's website, www.cpairland.ie (available for each subject at this stage).

Statements of Insolvency Practice		Advanced Corporate Reporting
		Competency Level
SIP1	A receiver's responsibility for the company records	1
SIP2	A liquidator's investigations into the affairs of an insolvent company	1
SIP7	Preparation of insolvency officeholders receipts and payments accounts	1
SIP8	Conduct at meeting of creditors	1
SIP9	Remuneration of insolvency officeholders in Ireland	1
SIP10	Proxy forms	1
SIP11	The handling of funds in formal insolvency appointments	1
SIP13	Acquisition of assets of insolvent companies by directors	1
SIP14	A receiver's responsibility to preferential creditors	1
SIP15	Dealing with employee claims	1
SIP16	Taxation matters of practice	1
SIP17	Guidance for members of the committee of inspection in court and in creditors' voluntary liquidations	1
SIP18B	Reporting by liquidators to the Director of Corporate Enforcement	1
SIP19B	Appointment as examiner under the Companies (Amendment) Act, 1990 (Revised June 2010)	1

Auditing Guidelines & Practice Notes			Auditing	Audit Practice & A.S.
Competency Level				
A301	Charities (ROI)		N/A	1
A308	Guidance for Internal Auditors		1	1
PN25	Attendance at Stocktaking	Feb-2011	2	3
PN26	(Revised) Guidance on Smaller Entity Audit Documentation		1	2
Ethics			Auditing	Audit Practice & A.S.
Competency Level				
CPA - Code of Ethics		Jun-2016	2	3
Ethical Standard for Auditors (Ireland) 2017			2	3
International Standards on Auditing (Ireland)				
			Auditing	Audit Practice & A.S.
	International Standard on Quality Control (Ireland) 1		2	3
200	Overall objectives of the independent auditor and the conduct of an audit in accordance with International Standards on Auditing (Ireland)		2	3
210	Agreeing the terms of audit engagements		2	3
220	Quality control for an audit of financial statements		2	3
230	Audit Documentation		2	3

International Standards on Auditing (Ireland)

		Auditing	Audit Practice & A.S.
240	The auditor's responsibilities relating to fraud in an audit of financial statements	2	3
250A	Consideration of laws and regulations in an audit of financial statements	2	3
250B	The auditor's right and duty to report to regulators in the financial sector	2	3
260	Communication with those charged with governance	2	3
265	Communicating deficiencies in internal control to those charged with governance and management	2	3
300	Planning an audit of financial statements	2	3
315	Identifying and assessing risks of material misstatement through understanding the entity and its environment	2	3
320	Materiality in planning and performing an audit	2	3
330	The auditor's responses to assessed risks	2	3
402	Audit considerations relating to an entity using a service organisation	2	3
450	Evaluation of misstatements identified during the audit	2	3
500	Audit evidence	2	3
501	Audit evidence - specific considerations for selected items	2	3
505	External confirmations	2	3
510	Initial audit engagements - opening balances	2	3
520	Analytical procedures	2	3
530	Audit sampling	2	3
540	Auditing, accounting estimates, including fair value accounting estimates, and related disclosures	2	3

International Standards on Auditing (Ireland)

		Auditing	Audit Practice & A.S.
550	Related parties	2	3
560	Subsequent events	2	3
570	Going concern	2	3
580	Written representations	2	3
600	Special considerations - audits of group financial statements (including the work of component auditors)	2	3
610	Using the work of internal auditors	2	3
620	Using the work of an auditor's expert	2	3
700	The auditor's report on financial statements	2	3
701	Communicating Key Audit Matters in the Independent Auditor's Report	2	3
705	Modifications to the opinion in the independent auditor's report	2	3
706	Emphasis of matter paragraphs and other matter paragraphs in the independent auditor's report	2	3
710	Comparative information - corresponding figures and comparative financial statements	2	3
720	The auditor's responsibilities relating to other information in documents containing audited financial statements	2	3

Companies Act

COMPANIES ACT 2014

Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 - 2013.

E.I. No 312 of 2016 - European Union (Statutory Audit) (Directive 2006/43/EC, as amended by Directive 2014/56/EU , and Regulation (EU) No. 537/2014 Regulations 2016).

N.B. IT IS ESSENTIAL TO CHECK THE INSTITUTE'S WEBSITE (WWW.CPAIRELAND.IE) FOR THE MOST RECENT EXAMINABLE MATERIAL DOCUMENT (EMD). AN UPDATED EMD IS PUBLISHED EACH NOVEMBER FOR THE FOLLOWING YEAR'S EXAMINATIONS.

Competency Levels

Each topic in each subject is assigned a competency level. Three levels are defined and these are referenced to the intellectual skills listed in the International Education Standard 3 issued by the International Federation of Accountants (IFAC). Questions and case-study scenarios in the Professional Stage examinations are framed so as to examine the learning outcomes with reference to real working environments. Where appropriate, the same approach is adopted in the examinations in the Formation Stages.

The three competency levels are grouped in ascending order:

- Knowledge and Understanding (Ability to locate and acquire knowledge).
- Application and Analysis (The ability to apply knowledge and understanding effectively to the analysis of complex and unfamiliar situations).
- Synthesis and Evaluation (The ability to integrate knowledge with sound judgment in the critical evaluation of situations to develop creative solutions).

In general, Level 3 is the predominant level for subjects at P2 Stage, with students having progressed through levels 1 and 2 in the previous stages of the syllabus. The balance shifts to higher levels as students progress through the syllabus. This is not an absolute, as higher-level competencies are also required for some topics in the earlier stages of the syllabus and lower levels for some topics at the P2 Stage.

The above progression is reflected in the competency levels demonstrated in the workplace and assessed through the training process. Students learn to apply their knowledge and skills through a learning spiral which blends formal study with supervised training. This results in the demonstration of greater competency at work, leading to exposure to more complex tasks which develop critical analysis and judgment skills.

CPA IRELAND

CPA Ireland is one of the main Irish accountancy bodies representing 5,000 members and students.

The CPA designation is the most commonly used designation worldwide for professional accountants and the CPA Ireland qualification enjoys wide international recognition. Its current membership operates in public practice, Industry, financial services and the public sector and CPAs work in 48 countries around the world.

CPA Ireland is active in the profession at national and international level participating in the Consultative Committee of Accountancy Bodies – Ireland – CCAB (I) and together with other leading accountancy bodies CPA Ireland was a founding member of the International Federation of Accountants (IFAC) – the worldwide body. CPA Ireland is also a member of the Federation des Experts Comptables Europeens (FEE), the representative body for the main accountancy bodies in 37 European countries.

CPA Ireland fulfils its statutory role as a recognised body by overseeing the professional activities of its members in practice, and insuring that education and training standards are maintained. As the first accountancy body to introduce a mandatory regime of Continuing Professional Development, CPA Ireland ensures that all CPAs remain at the leading edge throughout their careers. CPA Ireland provides a quality service to its Members and Students, which has been recognised through the award and maintenance of ISO 9001:2008. For further information visit www.cpaireland.ie

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