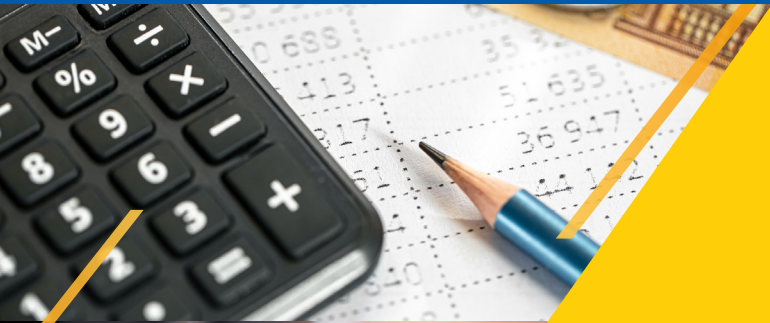


**CPA**  
U g a n d a

**INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
OF UGANDA**



# **ACCOUNTING TECHNICIANS DIPLOMA (ATD)**

**EXAMINATION SYLLABUS**

**ISSUED NOVEMBER 2022**

**EFFECTIVE 1 JANUARY 2023**





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## ATD EXAMINATIONS SYLLABUS STRUCTURE

<b>LEVEL III</b>	Financial Accounting Paper 9	Principles of Taxation Paper 10	Principles of Finance Paper 11	Principles of Auditing Paper 12
<b>LEVEL II</b>	Principles of Cost & Management Accounting Paper 5	Economics & Entrepreneurship Paper 6	Information & Communications Technology Paper 7	Business Management Paper 8
<b>LEVEL I</b>	Principles of Accounting Paper 1	Business Communication Paper 2	Principles of Business & Company law Paper 3	Business Mathematics & Statistics Paper 4

## 1.0 BACKGROUND INFORMATION

### 1.1 Institute's Profile

The Institute of Certified Public Accountants of Uganda (ICPAU) was established in 1992 by an Act of Parliament, now The Accountants Act, 2013. ICPAU is governed by a Council, which is assisted by the Public Accountants Examinations Board (PAEB), and other committees of Council.

The functions of the Institute, as prescribed by the Accountants Act, 2013 are:

- (a) To regulate and maintain the standard of accountancy in Uganda;
- (b) To prescribe and regulate the conduct of accountants and practicing accountants in Uganda.

ICPAU is a member of the International Federation of Accountants (IFAC) and the Pan African Federation of Accountants (PAFA).

### 1.2 Vision

To be a world-class professional accountancy Institute

### 1.3 Mission

To develop, promote and regulate the accountancy profession in Uganda, in public interest.

### 1.4 Core Values

- (a) Professional excellence
- (b) Accountability
- (c) Integrity
- (d) Innovation

### 1.5 Public Accountants Examinations Board (PAEB)

As part of the function of regulating and maintaining the standard of accountancy, ICPAU conducts examinations in Uganda. This function is executed by the PAEB on behalf of Council.

PAEB is responsible for conducting the:

- (a) Certified Public Accountants of Uganda - CPA(U) examinations. .
- (b) Accounting Technicians Diploma - ATD examinations.
- (c) Certified Tax Advisor - CTA examinations

## **2.0 ACCOUNTING TECHNICIANS DIPLOMA (ATD) EXPLAINED**

### **2.1 Accounting Technicians**

These are trained staff who support professional accountants and/ or administrative staff in the accounting, finance, auditing, taxation and management functions.

### **2.2 Purpose of the course**

It is designed to produce competent accounting staff with a wide range of technical knowledge, skills and attitudes to enable them work in any sector of the economy.

### **2.3 Objectives**

- (a) To produce accounting staff who will, among other things:
  - (i) Be responsible for the efficient operation of their organisations' systems and implementation of agreed policies.
  - (ii) Adhere to professional ethics.
  - (iii) Be effective communicators, orally and in writing.
- (b) To provide ATD holders with an avenue for progression and continuing learning in accountancy and other fields.
- (c) To create an enabling environment for Accounting Technicians to associate and network.

## 2.4 Entry Requirements

To register as an ATD student, one must have any one of the following qualifications:

- (a) A UACE with at least one principal pass or the equivalent.
- (b) UBTEB National Certificates in Business course.
- (c) Mature age Entry Certificate obtained from a recognised university or institution of higher learning.
- (d) Any other certificate(s) as may be approved by PAEB.

## 3.0 REGISTRATION FOR STUDENTSHIP

**3.1 Registration of students is continuous throughout the year.**

**3.2 Applications must be made online on the ICPAU portal: [www.icpau.co.ug](http://www.icpau.co.ug).**

Please follow the link: [https://icpauportal.com/index.php/online/online\\_application/index/student](https://icpauportal.com/index.php/online/online_application/index/student) for registration and any other necessary information

### **Note:**

1. *ICPAU reserves the right not to register and/ or de-register any student who, in their opinion, is not a fit and proper person for the accountancy profession in Uganda.*
2. *It is advisable for any applicant who wishes to sit examinations for any diet to register for studentship at least 2 months to the immediate examinations diet.*

## 4.0 MODE OF EXAMINATIONS

The Public Accountants Examinations Board reserves the right to conduct written, practical and computer-based examinations.

## 5.0 EXAMINATIONS RULES

The Accountants (Examinations) Rules, 2022 are available on <https://www.icpau.co.ug/resources/icpau-accountants-examinations-rules-2022-final>

## 6.0 LEARNING OUTCOMES

The learning outcomes are organised into six hierarchical levels. They move from the lowest level (knowledge) through to the highest level (evaluation). The levels are identified within the syllabus for each learning outcome within a subject and the meaning of each level is described below:

Knowledge (K)	Recalling of facts and ideas previously learnt.
Comprehension (C)	Demonstrating an understanding of facts and ideas by organising, comparing, translating, interpreting, giving descriptions and stating main ideas.
Application (A)	This refers to usage of knowledge and skills to solve problems. The acquired knowledge, facts, techniques and rules applied in various ways to create new situations.
Analysis (An)	Examine and break information into parts by identifying motives or causes. Make inferences and find evidence to support generalisations.
Synthesis (S)	Compile information together in a different way by combining elements in a new pattern or proposing alternative solutions.
Evaluation (E)	Ability to judge the value of material, at hand, for a given purpose.

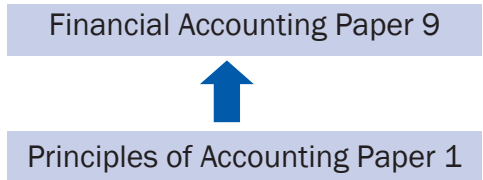


# LEVEL I

# PRINCIPLES OF ACCOUNTING

# PAPER 1

## SYLLABUS CHART



### **OVERALL AIM**

To equip the learner with skills of record keeping and preparation of accounts for internal use and decision-making.

### **LEARNING OUTCOMES**

On completion of this course, the learner should be able to:

	<b>Learning outcomes</b>	<b>K</b>	<b>C</b>	<b>A</b>	<b>An</b>	<b>S</b>	<b>E</b>
1.	Define the different terms used in accounting	✓					
2.	Describe the main areas of accounting		✓				
3.	Explain accounting concepts and conventions	✓					
4.	Identify the different forms of business organisation	✓					
5.	Record transactions in the books of prime entry			✓			
6.	Extract a trial balance			✓			
7.	Describe the accounting cycle		✓				
8.	Prepare reconciliations of business transactions			✓			
9.	Make end of year adjustments			✓			
10.	Prepare financial statements for business organisations			✓			
11.	Correct errors in accounting records			✓			

## **LEVEL OF ASSESSMENT**

The examination will test the learner's ability to comprehend and apply the skills of record keeping and preparation of accounts

## **EXAMINATIONS STRUCTURE**

There will be a three-hour examination made up of sections A and B. Section A will comprise 20 compulsory multiple-choice questions of 20 marks. Section B will comprise five questions of 20 marks each, of which the candidate will be required to attempt any four

## **DETAILED SYLLABUS**

### **A INTRODUCTION TO BOOK KEEPING AND ACCOUNTING**

1. Meaning and differences between: Bookkeeping, financial accounting, cost accounting, management accounting
2. Users of financial statements and their information needs
3. The accounting equation and the balance sheet (statement of financial position)
4. Role of accountants and accounting technicians

### **B MEANING OF ACCOUNTING CONCEPTS AND CONVENTIONS**

1. Business entity
2. Time interval
3. Historical cost
4. Money measurement
5. Duality
6. Prudence
7. Materiality
8. Realisation
9. Stable monetary unit

### **C FORMS OF BUSINESS ORGANISATION**

1. Meaning of 'business organisation/ entity'

2. Sole proprietorships, partnerships and limited liability companies

## **D PRINCIPLES OF DOUBLE ENTRY BOOKKEEPING AND BOOKS OF PRIME/ ORIGINAL ENTRY**

1. Meaning of double entry
2. Merits of double entry system
3. Recording transactions within the double entry framework
  - (a) The accounting equation and balance sheet(statement of financial position)
  - (b) Double entry system for assets, liabilities, capital, expenses, revenues
  - (c) Effect of profit/ loss on capital
  - (d) Personal (natural, artificial) and impersonal (real, nominal) accounts
  - (e) Golden rules of accounting
  - (f) Elements of financial statements
  - (g) Capital and revenue transactions
4. Source documents and records, including receipts, vouchers, invoices, credit and debit notes
5. Books of prime/ original entry:
  - (a) Cashbook, including two and three-column cashbook; petty cashbook and imprest system and cash analysis book
  - (b) Journals, including general journal, sales journal, purchases journal and returns inwards and returns outwards journals
  - (c) Posting transactions to and balancing ledger accounts
6. Principal/ main and subsidiary ledgers; balancing ledger accounts and extraction of trial balance
7. Accounting cycle

## **E ERRORS AND HOW THEY ARE CORRECTED**

1. Types of errors
2. Errors which can and which cannot be revealed by a trial balance
3. Correction of errors using the journal
4. Errors and the suspense account
5. Preparation of revised financial statements after correction of errors

## **F CHEQUE SYSTEM AND BANK RECONCILIATION STATEMENT**

1. Purpose and merits of bank reconciliation statement
2. Causes of differences between bank statement and cashbook balances
3. Dishonoured, un-presented and un-credited cheques
4. Adjusted cashbook
5. Preparation of bank reconciliation statement

## **G PREPARATION OF SIMPLE FINANCIAL STATEMENTS FOR INTERNAL USE<sup>1</sup>**

1. Sole traders
2. Partnerships
3. Limited companies (excluding manufacturing entities)

## **H PERIOD END ADJUSTMENTS**

1. Need for adjustments
2. Accruals and prepayments of incomes and expenses
3. Bad debts and provision for bad and doubtful debts
4. Discounts
5. Depreciation:
  - (a) Methods of depreciation and amortisation of non-current assets
  - (b) Accounting for depreciation

---

<sup>1</sup> Statement of profit or loss and other comprehensive income and financial position

## **I      PREPARATION OF FINANCIAL STATEMENTS FROM INCOMPLETE RECORDS**

1. Meaning of incomplete records:
  - (a) Reasons/ circumstances which give rise to incomplete records
  - (b) Accounting process
  - (c) Sources of information
2. Transformation of incomplete records into proper books of account, including the use/ preparation of statements of affairs, analyses of cash and bank transactions and control accounts
3. Mark-up and margin
4. Extraction of trial balance and preparation of financial statements

## **J      FINANCIAL STATEMENTS FOR NON-PROFIT MAKING ORGANISATIONS**

1. Meaning of non-profit making organisation
2. Comparison with profit making organisations
3. Ordinary and life membership subscriptions
4. Receipts and payments account
5. Income and expenditure account/ statement (including comparison with an equivalent statement for a profit making organisation)
6. Accumulated fund; effect of surplus or deficit on accumulated fund
7. Statement of financial position

## **K      PARTNERSHIP ACCOUNTS**

1. Meaning and features of partnerships
2. Distinction between partnerships and sole proprietorships

3. Partnership profits and losses, partners' salaries and drawings
4. Partners' capital and current accounts
5. Statement of profit or loss and other comprehensive income and statement of financial position

## **L COMPANY ACCOUNTS**

1. Meaning and features of limited liability company
2. The legal and accounting framework for limited liability companies
3. Requirements of the Companies Act, 2012
4. Accounting for issuance of shares and share premium
5. Financial statements for internal use:
  - (a) Statement of profit or loss and other comprehensive income
  - (b) Statement of financial position
  - (c) Statement of changes in equity

## **REFERENCES**

1. ICPAU, Financial Accounting. Kampala.
2. Wood F. & Robinson S., 2018. Bookkeeping and Accounts, 9<sup>th</sup> ed, London: Pearson Education Limited.
3. Sangster A & Lewis G., 2022. Frank Wood's Business Accounting, 15<sup>th</sup> ed, London: Pearson Education Limited.

# BUSINESS COMMUNICATION

## PAPER 2

### **OVERALL AIM**

To equip the learner with skills of effective communication in a business setting.

### **LEARNING OUTCOMES**

On completion of this course, the learner should be able to:

	<b>Learning outcomes</b>	<b>K</b>	<b>C</b>	<b>A</b>	<b>An</b>	<b>S</b>	<b>E</b>
1.	Define key terms in business communication	✓					
2.	Explain the communication process	✓					
3.	Explain how to prepare for meetings, conferences, seminars and workshops	✓					
4.	Demonstrate an understanding of how to conduct meetings, conferences, seminars and workshops			✓			
5.	Demonstrate an understanding of how to communicate through meetings, seminars, workshops, conferences			✓			
6.	Prepare reports/ messages using appropriate formats			✓			
7.	Apply modern technology in communication			✓			
8.	Explain the recruitment process	✓					
9.	Describe the components of business reputation		✓				
10.	Explain emerging trends in communication	✓					

## **LEVEL OF ASSESSMENT**

The examination will test the learner's ability to comprehend and apply the skills acquired.

## **EXAMINATIONS STRUCTURE**

There will be a three-hour examination made up of sections A and B. Section A will comprise 20 compulsory multiple-choice questions of 20 marks. Section B will comprise five questions of 20 marks each, of which the candidate will be required to attempt any four.

## **DETAILED SYLLABUS**

### **A BUSINESS COMMUNICATION**

1. Meaning of communication
2. Key terms in communication, including encoding, decoding, recording, feedback
3. Importance of communication
4. Choice of language in different scenarios

### **B COMMUNICATION IN ORGANISATIONS**

1. Formal and informal communication
2. The communication process
3. Effective communication; principles of effective communication
4. Communication channels
5. Office management
6. Interpersonal skills

### **C METHODS OF COMMUNICATION**

1. Verbal (speaking skills)
2. Non-verbal methods, including cues, listening, body language/ paralanguage, touch
3. Written
4. Visual



## **D MODES OF COMMUNICATION**

1. Business correspondence:
  - (a) Business letters:
    - (i) Contents and importance
    - (ii) Purpose of business letters, including apology, message of condolence, acceptance, appreciation, appointment, resignation and termination
  - (b) Memoranda
  - (c) Notices
  - (d) Circulars
  - (e) Press releases
2. Advertisements, including their advantages, disadvantages, contents; writing/ designing an advertisement
3. Critical appreciation, including summarizing, editing/ proofreading (including its importance) and interpretation
4. Electronic communications, including internet, e-mail, social media platforms (e.g. Twitter, WhatsApp, Facebook), telephone, Skype, Zoom and other modern forms of communication; advantages and disadvantages of each of these modes of communication
5. Advantages and disadvantages of audio-visual aids, including diagrams, charts, tables, pictures, projections and graphs

## **E MEETINGS, CONFERENCES, SEMINARS AND WORKSHOPS**

1. Meetings:
  - (a) Importance; preparation; notices and agenda; time management
  - (b) Minutes, including format, order and presentation, resolutions, circulation of information and documents, filing and safe custody

- (c) preparation of work plans and follow-up activities/  
action points
2. Conferences, seminars and workshops, including their:  
Importance, preparation, time management, notices,  
programme, management, Rapporteurship, resolutions and  
follow-up activities

## **F      REPORTS**

1. Types, purpose and uses
2. Format, preparation and presentation

## **G      RECRUITMENT**

1. Application/ cover letter
2. Curriculum vitae
3. Interviews

## **H      BUSINESS REPUTATION**

1. Business reputation/ corporate image: Building,  
protection and maintenance, importance and practices  
that may endanger business reputation
2. Ethics, including integrity, ethical communication, ethical  
dilemmas and ethical lapses

## **I      EMERGING TRENDS/ DEVELOPMENTS IN BUSINESS COMMUNICATION**

### **REFERENCES**

1. Akumu H. T., 2014. A Guide To Communication Skills. Kampala:  
Makerere University Printery.
2. Courtland L. B & Thill J. V., 2021. Business Communications  
Today, 15<sup>th</sup> ed, Edinburgh: Pearson Education Limited.
3. Scott M., 2016. Business Communication for Success, 2<sup>nd</sup> ed,  
Boston: Flat World.

# PRINCIPLES OF BUSINESS AND COMPANY LAW PAPER 3

## **OVERALL AIM**

To equip the learner with knowledge and skills to apply the principles of business laws to real life business situations.

## **LEARNING OUTCOMES**

On completion of this course, the learner should be able to:

	<b>Learning outcomes</b>	<b>K</b>	<b>C</b>	<b>A</b>	<b>An</b>	<b>S</b>	<b>E</b>
1.	Explain the general principles of law	✓					
2.	Explain the general principles of the law of torts	✓					
3.	Discuss the laws governing contracts and persons		✓				
4.	Explain the principles of the law of agency	✓					
5.	Explain the general principles of the law of trusts	✓					
6.	Explain the legal relationships between employers and employees	✓					
7.	Describe the laws governing negotiable instruments, partnerships and companies			✓			
8.	Describe the various legal forms of insolvency		✓				
9.	Resolve legal issues raised			✓			

## **LEVEL OF ASSESSMENT**

The examination will test the learner's knowledge, comprehension and application of the principles of business laws to real life situations.

## **EXAMINATIONS STRUCTURE**

There will be a three-hour examination made up of sections A and B. Section A will comprise 20 compulsory multiple-choice questions of 20 marks. Section B will comprise five questions of 20 marks each, of which the candidate will be required to attempt any four.

## **DETAILED SYLLABUS**

### **A GENERAL PRINCIPLES OF LAW**

1. Role, nature and classification of law in Uganda
2. Sources of law in Uganda, including the constitution; legislation; common law and equity; customary law and case law
3. Structure, composition and jurisdiction of local council courts, magistrates' courts, High Court and its divisions, Court of Appeal/ Constitutional Court and Supreme Court

### **B LAW OF TORTS**

1. Distinction between tort and contract; tort and crime
2. Elements of torts
3. Malice in torts
4. Capacity of parties to sue and be sued, including Government, foreign sovereigns and diplomats, corporations, trade unions, married women and infants/ minors (including liability of parents), judges and magistrates and persons of unsound mind
5. General defences in torts
6. Joint tortfeasors
7. Limitation/ survival of actions
8. Trespass to persons, land and goods
9. Negligence
10. Nuisance

## **C LAW OF CONTRACT**

1. Types of contracts and elements of a valid contract; contracts that must be in writing and contracts that must be supported by written evidence
2. Part performance
3. Valid, void and voidable contracts
4. Intention to create legal relations
5. Commercial agreements
6. Offer and acceptance
7. Consideration and privity
8. Equitable estoppel
9. Contractual capacity
10. Terms of contract and exemption clauses
11. Illegal contracts against public policy; effect of illegality of contract
12. Contracts in restraint of trade
13. Reality of contracts
14. Mistake, misrepresentation, undue influence and duress
15. Contracts uberrimae fidei
16. Assignment of contractual rights
17. Discharge of contract and remedies for breach of contract

## **D SALE OF GOODS**

1. Nature and formalities of a contract of sale of goods
2. Terms of contract and implied terms by statute
3. Rights and duties of the parties

## **E LAW OF AGENCY**

1. Nature and purpose of agency
2. Principal-agent relationship
3. Types of agents

4. Rights and duties of an agent; personal liability of an agent to third parties
5. Duties of a principal including an undisclosed principal
6. Termination of agency

## **F**      **LAW OF TRUSTS**

1. Types of trusts and parties to a trust
2. Circumstances under which a trust can be created
3. Appointment, discharge, duties and liabilities of trustees
4. Termination of a trust

## **G**      **EMPLOYMENT LAW** (Reference to be made to the Employment Act, No. 6 of 2006, Laws of Uganda)

1. Nature of an employment contract
2. Rights and duties of parties to an employment contract
3. Discrimination in employment
4. Termination of contract of employment and dismissal

## **H**      **LAW OF PARTNERSHIPS**

1. Types of partnerships and formation of a partnership
2. Relationship of partners, including their rights and duties
3. Obligations of partners to third parties
4. Termination of a partnership

## **I**      **NEGOTIABLE INSTRUMENTS**

1. Meaning and characteristics
2. Types of negotiable instruments including cheques and bills of exchange

## **J**      **COMPANY LAW**

1. Incorporation, classification and characteristics of a company
2. Promotion and promoters of a company
3. Commencement of business

4. Veil of incorporation
5. Ultra vires doctrine
6. Memorandum and articles of association
7. Prospectus
8. Shares and share capital:
  - (a) Allotment of shares
  - (b) Membership and register of members
  - (c) Annual return
  - (d) Class rights and variation of class rights
  - (e) Alteration and reduction of share capital
  - (f) Purchase of own shares
9. Debentures
10. Dividends
11. Meetings
12. Directors, including appointment; publicity requirements; powers, duties and responsibilities; remuneration; meetings; interests in shares or debentures; disqualification and removal from office
13. Company secretary, including powers and duties; register of directors and secretaries
14. Accounts and company auditors
15. Majority rule, minority protection and investigations including the ruling in the case of Foss v Harbottle
16. Corporate insolvency/ winding up; liquidation and the liquidator

## **REFERENCES**

1. ICPAU, Business and Company Law: Kampala.
2. Bakibinga D.J., 2022. Company Law in East Africa, Notion Press.
3. Bakibinga D.J., 2006. Equity & Trusts in Uganda, 2<sup>nd</sup> ed, Kampala: Professional Books Publishers.
4. Bakibinga D.J., 2013. Law of Contract in Uganda, 2<sup>nd</sup> ed, Kampala: Fountain Publishers.
5. Bakibinga D.J., 2011. Partnership Law in Uganda, 2<sup>nd</sup> ed, Kampala: Professional Books Publishers.
6. Hussain A., 2003. General Principles and Commercial Law of Kenya, Nairobi: East African Educational Publishers Ltd.
7. Ogola J.J, 2010. Business Law. 2<sup>nd</sup> ed, Nairobi, Kenya: Focus Publications Ltd (Revised and updated by Gitau Robert)
8. Government of Uganda, by Uganda Printing and Publishing Corporation:
  - (a) Companies Act, 2012
  - (b) Employment Act, 2006
  - (c) Insolvency Act, 2011
  - (d) Contracts Act, 2010
  - (e) Partnership Act, 2010
  - (f) Sale of Goods and Supply of Services Act, 2017



# BUSINESS MATHEMATICS AND STATISTICS PAPER 4

## **OVERALL AIM**

To equip the learner with skills and techniques to solve and interpret mathematical and statistical problems in a business/ organisational setting.

## **LEARNING OUTCOMES**

On completion of this course, the learner should be able to:

	<b>Learning outcomes</b>	<b>K</b>	<b>C</b>	<b>A</b>	<b>An</b>	<b>S</b>	<b>E</b>
1.	Explain concepts and techniques used in solving mathematical and statistical problems	✓					
2.	Apply statistical techniques in planning for and control of resources			✓			
3.	Apply differential calculus to optimise output and costs			✓			
4.	Apply mathematical techniques to solve financial problems			✓			
5.	Demonstrate an understanding of the applicability of measures of central tendency, dispersion and indices in business			✓			
6.	Present information using tables, pictograms, pie charts, bar charts/ histograms and Ogives			✓			
7.	Apply the knowledge of probability to solve business problems			✓			

## **LEVEL OF ASSESSMENT**

The examination will test learner's knowledge and ability to apply mathematical and statistical techniques to solve problems in business.

## **EXAMINATIONS STRUCTURE**

There will be a three-hour examination made up of sections A and B. Section A will comprise 20 compulsory multiple-choice questions of 20 marks. Section B will comprise five questions of 20 marks each, of which the candidate will be required to attempt any four.

## **DETAILED SYLLABUS**

### **A BASIC MATHEMATICS**

1. Percentages and proportions
2. Indices
3. Formulae and substitution
4. Linear, quadratic and two-variable simultaneous equations

### **B MATRICES**

1. Data within a matrix
2. Addition, subtraction and multiplication of matrices
3. Null, identity and inverse matrices
4. Solving problems using matrices

### **C SET THEORY**

1. Concept of a set and subsets
2. Venn diagrams and their applications
3. Complement of a set, intersection and union of sets, universal set

### **D DIFFERENTIAL CALCULUS**

1. Concept of differential calculus
2. Role of differential calculus
3. Differentiation:
  - (a) Methods of differentiation
  - (b) 1<sup>st</sup> and 2<sup>nd</sup> derivatives excluding 1<sup>st</sup> principles, exponential and logarithmic functions

4. Turning points and their application to profit, costs and revenue

**E. FINANCIAL MATHEMATICS**

1. Cash and trade discounts, commissions, mark-ups and margins
2. Simple and compound interest; effective interest rate; continuous compounding
3. Present and future values
4. Annuities:
  - (a) Sinking fund payments
  - (b) Present value of an annuity
  - (c) Amortisation
5. Depreciation and methods of depreciation, including straight line, reducing balance, revaluation, sinking fund, sum-of-digits and machine-hour

**F DATA COLLECTION AND PRESENTATION**

1. Types and sources of data
2. Data collection including methods of data collection
3. Sample data and population data; sampling techniques
4. Tabulation of data
5. Frequency distributions
6. Presentation of data using pictograms, pie charts, bar charts/ histograms and Ogives

**G MEASURES OF LOCATION/ CENTRAL TENDENCY**

1. Arithmetic mean, geometric mean, harmonic mean, mode and median
2. Estimating the mode and median graphically
3. Characteristics, merits and limitations of each measure of location

## **H DISPERSION AND SKEWNESS**

1. Measures of dispersion and skewness
2. Relationship between measures of dispersion, location and skewness

## **I PROBABILITY**

1. Concept of probability
2. Basic rules of probability
3. Conditional probabilities
4. Expected values and decision trees
5. Discrete and continuous random variables
6. Permutations and combinations
7. Normal probability distributions, including properties of a normal distribution, standardisation of variables and probabilities under a normal distribution curve

## **J INTRODUCTION TO INDEX NUMBERS**

1. Uses and limitations of index numbers
2. Price and quantity indices

## **REFERENCES**

1. ICPAU, Quantitative Techniques, Kampala.
2. Andre, F and Ben M., 2014. Business Mathematics and Statistics, 7<sup>th</sup> ed, Andover: Cengage Learning, Hampshire.
3. Doane, D., 2012. Applied Statistics in Business and Economics, 4<sup>th</sup> ed, New York: McGraw-Hill.
4. Shashi, K., 2010. Quantitative Techniques & Methods, Delhi India: Gyan Publishing house.
5. Vohra N.D, Hiteshi A., 2021. Quantitative Techniques & Methods, 6<sup>th</sup> ed, Delhi India: McGraw Hill.

# LEVEL II

## PRINCIPLES OF COST AND MANAGEMENT ACCOUNTING

# PAPER 5

### **OVERALL AIM**

To equip the learner with skills to apply the principles, concepts and techniques of cost and management accounting to generate reports for decision-making.

### **LEARNING OUTCOMES**

On completion of this course, the learner should be able to:

	<b>Learning outcomes</b>	<b>K</b>	<b>C</b>	<b>A</b>	<b>An</b>	<b>S</b>	<b>E</b>
1.	Explain the role of cost and management accounting	✓					
2.	Explain the elements of cost	✓					
3.	Allocate costs to cost units, cost objects and cost centres			✓			
4.	Analyse variances for decision making				✓		
5.	Compute product costs using different cost methods			✓			
6.	Compute relevant costs for decision-making			✓			
7.	Discuss the principles of budgeting		✓				
8.	Prepare budgets			✓			
9.	Explain ethical issues that may be encountered by management accountants		✓				

### **LEVEL OF ASSESSMENT**

The examination will test the learner's ability to apply the principles, concepts and techniques of cost and management accounting.

## **EXAMINATIONS STRUCTURE**

There will be a three-hour examination made up of sections A and B. Section A will comprise 20 compulsory multiple-choice questions of 20 marks. Section B will comprise five questions of 20 marks each, of which the candidate will be required to attempt any four.

## **DETAILED SYLLABUS**

### **A INTRODUCTION**

1. Cost accounting:
  - (a) Role, nature and scope of cost accounting; purpose of cost accounting information
  - (b) Selection of an ideal cost accounting system and challenges encountered
2. Management accounting:
  - (a) Nature, scope, limitations and application of management accounting
  - (b) Users of management accounting information and their information needs
  - (c) Role of financial and management accountants
  - (d) Relationship between financial, cost and management accounting
  - (e) Ethical requirements of management accountants

### **B COST CLASSIFICATION**

1. Cost, cost unit, cost centre, cost object, cost objective, cost behaviour
2. Types of costs
3. Cost classification
4. Elements of manufacturing costs
5. Cost sheet/ statement
6. Cost estimation and methods used

## **C MATERIALS COSTING**

1. Components of material cost
2. Materials control, including objectives, procedures and documents used
3. Inventory records
4. Centralised and decentralised stores management systems
5. Inventory control techniques
6. Continuous, periodic and perpetual inventory counting/ control methods or systems
7. Inventory valuation methods, including their applicability, advantages and disadvantages
8. Accounting for material losses

## **D LABOUR COSTING**

1. Classification of labour costs
2. Procedures used in controlling labour costs
3. Causes, effects, costs and methods of reducing labour turnover
4. Job evaluation versus job analysis; merits and demerits of merit rating
5. Payroll accounting versus labour cost accounting; functions and responsibilities of the payroll function
6. Wages of labour and methods of their determination
7. Payroll fraud and prevention
8. Accounting for idle time, idle capacity and overtime
9. Labour remuneration methods, including their advantages and disadvantages
10. Incentive schemes, including their merits and demerits

## **E OVERHEAD COSTING**

1. Classification of overheads

2. Semi-variable overhead segregation and methods used
3. Allocation and apportionment of overheads
4. Re-apportionment of service department overheads to production departments
5. Overhead absorption:
  - (a) Overhead absorption rates; causes of under/ over absorption of overheads
  - (b) Overhead recovery; accounting for under/ over recovery of overheads
6. Determination of capacity levels

## **F INTEGRATED AND INTERLOCKING COST ACCOUNTING SYSTEMS**

### **G SPECIFIC ORDER COSTING METHODS**

1. Job costing
2. Batch costing
3. Contract costing
4. Service costing

### **H PROCESS COSTING**

1. Specific order costing versus process costing
2. Preparation of process accounts
3. Accounting for normal and abnormal losses or gains
4. Work-in-progress; equivalent units and preparation of appropriate statements
5. Joint products; methods of apportionment of joint costs
6. By-products; accounting for by-products

### **I VARIABLE (OR MARGINAL) AND ABSORPTION COSTING**

1. Marginal costing versus absorption costing:
  - (a) Merits and demerits of each method
  - (b) Preparation of financial statements and



determination of cost of production and profit under each method

- (c) Impact of each method on profit
- 2. Accountant's model versus economist's model of cost-volume-profit analysis; cost and revenue functions in the accountant's model
- 3. Determination, interpretation and construction of graphs for:
  - (a) Breakeven point
  - (b) Contribution
  - (c) Profit-volume
  - (d) Margin of safety
  - (e) Angle of incidence
- 4. Preparation of cost-volume profit statements

## **J MEASUREMENT OF RELEVANT AND IRRELEVANT COSTS (DECISION MAKING)**

- 1. Decision making process; limiting factor analysis
- 2. Relevant and irrelevant costs for decision making
- 3. Application of relevant and irrelevant cost analysis to decisions on:
  - (a) Determination of sales mix
  - (b) Discontinuation of a product line
  - (c) Make or buy
  - (d) Shut down or continue
  - (e) Expand or contract
  - (f) Special order acceptance or rejection
  - (g) Further processing
- 4. Evaluation of performance and interpretation of information to management

## **K ALTERNATIVE COST ACCOUNTING METHODS**

1. Activity-based costing (ABC):
  - (a) ABC versus traditional costing systems
  - (b) Merits and demerits of ABC
  - (c) Classification of activities and selection the cost drivers; validity of different cost drivers
  - (d) Determination of product costs using ABC
2. Other alternative methods, including target costing, life cycle costing, total quality management, Backflush costing and throughput costing

## **L BUDGETING AND BUDGETARY CONTROL**

1. Budget/ budgeting and the budgeting function
2. Organisational and behavioural aspects of budgeting
3. Budgetary control, preparation and reporting

## **M STANDARD COSTING AND VARIANCE ANALYSIS**

1. Standard costs and standard costing; advantages and disadvantages of standard costing
2. Standard costing versus budgetary control; standard costs versus budgeted costs
3. Establishment of cost centres; classification and codification of accounts
4. Basic, ideal, currently attainable standards
5. Cost standards for direct materials, direct labour, overheads, sales price and sales margin
6. Standard cost card/ sheet; preparation of standard cost statements
7. Variances for direct materials, direct labour, overheads and sales
  - (a) Responsibility centres for variances
  - (b) Profit or loss statement showing interrelationship of variances

- (c) Causes of variances; control actions for variances
- (d) Investigation of variances
- (e) Reconciliation of budgeted and actual profit

### **REFERENCES**

1. ICPAU, Cost & Management Accounting, Kampala
2. Arora, M. N., 2021. Cost Accounting, Principles & Practice, 13<sup>th</sup> ed, Vikas Publishing House.
3. Colin D., 2021. Management and Cost Accounting, 11<sup>th</sup> ed, Andover: Cengage Learning.

# ECONOMICS AND ENTREPRENEURSHIP PAPER 6

## **OVERALL AIM**

To equip the learner with skills to comprehend the principles of the functioning of the economy and suggest practical solutions to economic problems.

## **LEARNING OUTCOMES**

On completion of this course, the learner should be able to:

	<b>Learning outcomes</b>	<b>K</b>	<b>C</b>	<b>A</b>	<b>An</b>	<b>S</b>	<b>E</b>
1.	Explain the nature and scope of economics	✓					
2.	Discuss economic problems of allocating scarce resources		✓				
3.	Discuss major economic theories and models, and their relevancy to the nation		✓				
4.	Determine prices in various markets		✓				
5.	Describe the different types of economic systems		✓				
6.	Describe the monetary and fiscal systems in Uganda		✓				
7.	Explain the macroeconomic issues in an economy	✓					
8.	Describe the features of Uganda's economy		✓				
9.	Explain the features of international economics	✓					
10.	Explain the entrepreneurial process	✓					
11.	Discuss identified business opportunities		✓				
12.	Develop selected opportunities into viable businesses			✓			
13.	Explain the challenges facing entrepreneurs	✓					
14.	Discuss possible solutions to entrepreneurial problems		✓				

## **LEVEL OF ASSESSMENT**

The examination will test learners' knowledge and comprehension of economic principles and entrepreneurship and how they are applied to solve economic and entrepreneurial challenges.

## **EXAMINATIONS STRUCTURE**

There will be a three-hour examination made up of sections A, B and C. Section A will comprise 20 compulsory multiple-choice questions of 20 marks. Sections B (Economics) and C (Entrepreneurship) will each comprise 3 questions of 20 marks each, of which the candidate will be required to attempt any two from each section.

## **DETAILED SYLLABUS**

### **A INTRODUCTION**

1. Nature and scope of economics
2. Characteristics of wealth, human wants and needs, resources and goods and services
3. Scarcity, choice and opportunity cost
4. Alternative economic systems
5. Classification of goods
6. Ethical issues that arise from the nature of markets in which business operate, responsibility of business to society as well as internal and industry practices of business

### **B PRICE THEORY**

1. Concept of demand:
  - (a) Demand, quantity demanded, effective demand and factors that influence quantity demanded
  - (b) Demand schedule, demand curve, down slope of the demand curve and exceptions to the demand curve
  - (c) Joint/ complementary, competitive, composite, fixed, derived and independent demand
  - (d) Change in demand versus change in quantity demanded

- (e) Utility theory
- (f) Elasticity of demand
- 2. Concept of supply:
  - (a) Supply, quantity supplied and quantity produced/ stock of goods
  - (b) Joint and competitive supply
  - (c) Determinants of supply and quantity supplied
  - (d) Supply schedule, supply curve
  - (e) Law of supply; upward slope of the supply curve (left to right); exceptions to the supply curve; change in supply and change in quantity supplied
  - (f) Elasticity of supply
- 3. Price:
  - (a) Market price, equilibrium price, normal/ long-run price, ideal price, reserve price
  - (b) Price determination
  - (c) Price of factors of production
- 4. Price mechanism and resource allocation

## **C PRODUCTION THEORY**

1. Production: Importance and stages; direct versus indirect production; subsistence versus commercial production; factors of production (including mobility of factors of production)
2. Specialisation
3. Theory of the firm
4. Law of diminishing returns
5. Concept of output
6. Costs of production
7. Economies and diseconomies of scale
8. Existence of small firms
9. Concept of revenue
10. Market structures

## **D NATIONAL INCOME**

1. Gross domestic product, gross national product, net national product, national income at factor cost and market price, real and monetary national income, personal income, disposable income and per capita income
2. Circular flow of income
3. Factors that determine the level of national income
4. National income of a developed versus that of a developing economy
5. Ways of increasing the level of national income
6. Estimation of national income
7. Per capita income
8. Income inequality and distribution
9. Equilibrium and disequilibrium in an economy
10. Multipliers and accelerators

## **E MONETARY AND FINANCIAL SYSTEMS**

1. Money
2. Interest rate(s)
3. Capital markets
4. Cost of living
5. Commercial and central banking
6. Bank regulation and supervision framework, including provisions of the Financial Institutions Act, 2004; Bank of Uganda Act, 2000; Micro-finance Deposit-taking Institutions Act, 2003

## **F INFLATION**

1. Types and effects of inflation
2. Policies used to control inflation in Uganda
3. Concept of deflation

## **G POPULATION AND LABOUR ECONOMICS**

1. Theories of population; changes and effects of population on the economy; population control; under population, over population and optimal population
2. Structure of labour force:
  - (a) Labour and labour force; determinants of labour force in an economy and characteristics of labour force of developing countries
  - (b) Efficiency and productivity of labour
  - (c) Demand for and supply of labour
  - (d) Wages and salaries; wage differentials; nominal and real wages; methods of paying workers; theories of wage payment
3. Trade unions

## **H UNEMPLOYMENT**

1. Types of unemployment, including their causes, effects and solutions
2. Assumptions and applicability of Keynesian theory of unemployment

## **I INTERNATIONAL TRADE**

1. Role, advantages and disadvantages of international trade
2. Bilateral and multilateral trade
3. Comparative and absolute advantages
4. Terms of trade, balance of trade and balance of payments
5. Free trade and protectionism
6. Devaluation and revaluation
7. Foreign exchange and foreign exchange rate(s)
8. Economic integration, including the aims and achievements/ failures of the East African Community (EAC) and Common Market for Eastern and Southern African (COMESA)



9. Institutions and agreements in international trade including:
  - (a) General Agreement on Tariffs and Trade
  - (b) International Bank for Reconstruction and Development
  - (c) International Monetary Fund
  - (d) World Trade Organisation
  - (e) United Nations Conference on Trade and Development
10. Foreign aid

## **J ECONOMIC GROWTH AND DEVELOPMENT**

1. Economic growth and economic development; objectives, costs and benefits of economic growth; barriers to economic growth and indicators of economic development; why economic growth may not necessarily lead to economic development
2. Theories of economic growth and economic development
3. Characteristics/ indicators of underdeveloped economies
4. Factors responsible for underdevelopment
5. Development strategies

## **K ECONOMIC DEVELOPMENT PLANNING**

1. Importance of planning
2. Partial, comprehensive, micro/ macro, centralised/ decentralised, authoritarian, project, democratic, indicative, directive and perspective plans/ planning
3. Development plans, including contents and characteristics of a good plan; the planning process; conditions necessary for effective planning; problems encountered in the formulation/ implementation of development plans

## **L PUBLIC FINANCE AND FISCAL POLICY**

1. Public finance, public revenue, public expenditure, public debt, financial administration, fiscal policy, taxable income

2. Taxation:
  - (a) Reasons for levying taxes and effects of taxation
  - (b) Direct and indirect taxes; progressive, regressive and proportional taxes
  - (c) Impact of tax and tax base; reasons for a narrow tax base in Uganda
  - (d) Marginal rate and average rate of taxation
  - (e) Uganda's tax structure and its impact on the economy
  - (f) Incidence of tax
  - (g) Canons of a good tax system
  - (h) Taxable capacity
3. Public debt, including:
  - (a) National debt and the need for public debt
  - (b) Internal, external, short-term, long-term, medium-term, funded, deadweight, reproductive and floating debts
  - (c) Public debt burden and public debt management
4. National budget:
  - (a) Components of a national budget
  - (b) Balanced, surplus and deficit budgets
  - (c) Importance of a national budget
5. Public finance, including the role of public finance; need for and characteristics of public expenditure and effects of government expenditure on the economy
6. Debt and taxation financing

## **M      STRUCTURE OF UGANDA'S ECONOMY**

1. Features of Uganda's economy: Dualistic, largely agro-based, mixed, dependent, high population growth rate, subsistence, open, unskilled labour force
2. Agricultural and industrial sectors
3. Subsistence and monetary sectors

4. Imports and exports
5. Private versus public ownership of business in Uganda; privatisation of public enterprises
6. Economic dependence
7. Structural adjustment programmes (SAPs)
8. Trade in services

## **N ENTREPRENEURSHIP**

1. Nature and scope of entrepreneurship:
  - (a) Entrepreneur and entrepreneurship
  - (b) Evolution of entrepreneurship and emergence of entrepreneurs
  - (c) Types of entrepreneurs
  - (d) Characteristics of successful entrepreneurs
  - (e) Challenges of entrepreneurs and solutions
  - (f) Role of entrepreneurship in economic development
2. Business environment:
  - (a) Features
  - (b) Internal/ external business environments
  - (c) Small and medium-size enterprises (SMEs):
    - (i) Meaning of SME
    - (ii) The environment of SMEs
    - (iii) Managing an SME, including human and financial resources, marketing and purchasing
    - (iv) Risk and failure analysis of SME business
    - (v) Advantages and disadvantages of SMEs
    - (vi) Contribution of SMEs to economic development
  - (d) Winding up a business venture, including reasons and ways of winding up
3. Entrepreneurial orientation:
  - (a) Dimensions of orientation
  - (b) Risk taking, including types of risks, risk identification, risk assessment and reward for risk taking

4. Entrepreneurial decision process
5. Enterprise development and protection:
  - (a) Enterprise development:
    - (i) Managing growth in a changing environment
    - (ii) Challenges of growth and expansion
    - (iii) Natural growth of business
    - (iv) Artificial growth through business combinations (mergers and acquisitions/ absorptions/ takeovers), buyouts, franchising, formation of holding company and joint ventures
  - (b) Enterprise protection through prevention of theft and shoplifting; use of patents, trademarks, copyrights, trade secrets and licensing; enforcement of regulations on safety and insurance contracts
  - (c) Reasons for business failure
  - (d) Social and ethical responsibilities of a business
6. Entrepreneurial awareness and motivation, including motivation theories, how to motivate, factors that hinder motivation and impact of motivation
7. Creativity and innovation:
  - (a) Creativity, including process, principles, benefits and limitations
  - (b) Innovation, including sources, principles and benefits; fostering innovations in a business venture
8. Creating own business/ self-employment, including:
  - (a) Factors to consider, generation of ideas/ spotting and assessing opportunities
  - (b) Selection of type of business organisation/ venture and problems in selecting new ventures
  - (c) Venture life cycle
  - (d) Financing new ventures, including sources of capital, credit analysis and risk assessment; financial planning, analysis and management of finances and accounting and record keeping

- (e) Strategies for managing growth and transition in a venture
  - (f) Benefits and challenges of self-employment
  - (g) Developing an effective business plan, including preparation of the plan
  - (h) Stakeholder management
  - (i) Market research and marketing strategies
  - (j) Operations and management of the business
  - (k) New business opportunities
9. Financing a business through equity, debt/ borrowing, including the advantages and disadvantages of each source of financing
10. Emerging trends in entrepreneurship, including total quality management, e-commerce, globalisation, outsourcing, networking, social entrepreneurship (not-for-profit) as well as ethics and integrity in business

## **REFERENCES:**

1. ICPAU, Economics and Entrepreneurship, Kampala.
2. Brue McConnell and Flynn, 2014. Essentials of Economics, 3<sup>rd</sup> ed., New York: McGraw-Hill Education.
3. Charles, E. B and Garry D. B., 2016. Entrepreneurship, 2<sup>nd</sup> ed., McGraw-Hill Education.
4. David S and Wilson N., 2017. Small Business Management and Entrepreneurship, 7<sup>th</sup> ed, Andover: Annabel Ainscow.
5. Saleemi, N.A., 2018. Economics Simplified, Nairobi: English Press.

# INFORMATION & COMMUNICATIONS TECHNOLOGY PAPER 7

## **OVERALL AIM**

To equip the learner to apply knowledge and skills acquired in information communication technology to provide solutions in a business environment.

## **LEARNING OUTCOMES**

On completion of this course, the learner should be able to:

	<b>Learning outcome</b>	<b>K</b>	<b>C</b>	<b>A</b>	<b>An</b>	<b>E</b>	<b>S</b>
1.	Describe information technology in a business context		✓				
2.	Discuss the systems development process and the associated challenges		✓				
3.	Identify specification and selection of computer hardware and software solutions for business	✓					
4.	Discuss the adequacy of general information technology and application controls		✓				
5.	Discuss the benefits and challenges associated with the use of ICT		✓				
6.	Discuss the advantages and disadvantages of using electronic media in business		✓				
7.	Explain security, regulatory, policy and ethical issues associated with the use of ICT	✓					
8.	Prepare numerical, text, graphical and database information using a computer			✓			

## **LEVEL OF ASSESSMENT**

The examination will test the learner's knowledge, comprehension and application of skills in ICT to business.

## **EXAMINATION STRUCTURE**

There will be a three-hour theory examination made up of sections A and B. Section A will comprise 20 compulsory multiple-choice questions of 20 marks. Section B will comprise five questions of 20 marks each, of which the candidate will be required to attempt any four. There will also be a one-hour thirty minutes hands-on examination of 50 marks.

## **DETAILED SYLLABUS (THEORY)**

### **A INTRODUCTION**

1. Importance of information technology in supporting business
2. Computer system:
  - (a) Computer and computer system
  - (b) Components of a computer system
  - (c) System environment boundary: Input, process, output
  - (d) Types of data/ information processing
  - (e) Care and security of computer systems:
    - (i) Computer systems security
    - (ii) Computer viruses (meaning and characteristics)
    - (iii) Software and data security
    - (iv) Dangers to computer software and information systems
    - (v) Precautions and safeguards against data/ file loss
    - (vi) Antivirus software: Meaning, characteristics, types

- (f) Management of computer systems
  - (g) Data and information: Distinction, characteristics, data processing cycle, value of information
  - (h) Modes of data processing (real-time/ online, batch, distributed, centralised)
  - (i) Attributes of good information
  - (j) Ergonomics (physical health and mental health)
3. Information Technology:
- (a) Manual versus computerized systems
  - (b) Limitations of using computers
  - (c) Applications
  - (d) Social impact of computers and information technology

## **B      COMPUTER HARDWARE AND SOFTWARE**

1. Computer hardware, including maintenance of hardware devices
2. Computer software, including the applicability of computer software to businesses

## **C      DATA COMMUNICATION AND COMPUTER NETWORKS**

1. Data transmission:
  - (a) Data communication for business, including principles and devices
  - (b) Transmission and control of business data, including transmission characteristics
  - (c) Components of data communication
  - (d) Data management and security
2. Wired and wireless communication channels
3. Computer networks, including types, characteristics, benefits and challenges
4. Network topologies, including types and characteristics
5. Network models, including characteristics and applications of client-server and peer-to-peer systems
6. Big Data



7. Cloud computing
8. Internet of things (IoT):
  - (a) Technologies including real-time analytics, machine learning, commodity sensors, embedded systems and other emerging technologies
  - (b) Applications
  - (c) Enabling technologies: Addressability, application layer, standards and standards organisations
  - (d) Challenges and adoption barriers
  - (e) Government regulation

## **D COMPUTER-BASED INFORMATION SYSTEMS**

1. Nature, types, components and characteristics of information systems
2. Office automation systems
3. Benefits and limitations of computer-based information systems
4. Transaction processing, decision support, management information and executive support systems
5. Application of information systems in functional areas such as sales, marketing, manufacturing and production, finance and accounting and human resource management
6. Information systems as a tool for business strategy
7. Challenges posed by strategic information systems and possible solutions

## **E INFORMATION SYSTEMS DEVELOPMENT**

1. The traditional systems development life cycle, including the stages and activities involved and tools used
2. Stakeholders to system development, including their roles
3. Alternatives to the traditional systems development life cycle, including prototyping and rapid application development (RAD), joint application design (JAD), participatory design (PD) and agile methodologies

4. Systems development and management considerations
5. Organisational change considerations
6. Challenges of building and using information systems and possible solutions

## **F E-GOVERNANCE**

1. E-government and e-governance
2. Types of interactions in e-governance:
  - (a) Government-to-business (G2B)
  - (b) Government-to-citizen (G2C)
  - (c) Government-to-employees (G2E)
  - (d) Government-to-government (G2G)
3. E-governance models
4. Information communication technology (ICT) governance framework, including the tools used and compliance with the framework
5. Role of ICT in governance
6. Phases of e-governance
7. E-governance in Uganda, including the role of National Information Technology Authority Uganda and Uganda Communications Commission; e-services and benefits of e-governance
8. Challenges of e-governance

## **G ELECTRONIC COMMERCE (E-COMMERCE)**

1. Concepts and features
2. Modes of e-commerce:
  - (a) Business-to-business (B2B)
  - (b) Business-to-consumer (B2C)
  - (c) Mobile commerce (m-commerce)
  - (d) Facebook commerce (f-commerce)
  - (e) Consumer-to-consumer (C2C)

- (f) Consumer-to-business (C2B)
- (g) Business-to-administration (B2A)
- 3. Marketing on the internet, including methods, e-marketplaces (including components and types as well as considerations for setting up an e-marketplace)
- 4. Security in e-commerce, including dimensions as well as types and causes of threats and measures to mitigate the threats
- 5. Ethical and legal issues
- 6. E-transactions

## **H      ARTIFICIAL INTELLIGENCE**

- 1. Importance, application and challenges of artificial intelligence

## **I      INFORMATION      SYSTEMS      RISK      AND      SECURITY MANAGEMENT**

- 1. Introduction:
  - (a) Risk and risk management
  - (b) Types of risks
  - (c) Business value of security and controls
  - (d) Need for special protection from destruction, error and abuse of information systems
  - (e) Organisational and managerial frameworks for security and control
  - (f) Risk assessment and evaluation as well as risk management strategies
- 2. Importance of risk management; integration of risk management into the systems development life cycle
- 3. Risk assessment steps, including system characterisation, threat identification, vulnerability identification, control analysis, livelihood determination, impact analysis, risk determination, control recommendations, results documentation

4. Risk mitigation and risk mitigation options, including risk assumption, risk avoidance, risk limitation, risk planning, research and acknowledgement and risk transfer
5. Security controls:
  - (a) Technological security controls, management security controls, operational security controls
  - (b) Approaches to control implementation
  - (c) Quality control and quality assurance
  - (d) Tools and technologies for safeguarding information resources
  - (e) Challenges posed by information systems security and control and solutions to the challenges
6. Computer virus risks and mitigation measures
7. Residual risk
8. Cyber security, including data breaches, cyber risk management framework and controls to detect, prevent or mitigate cyber-based risks
9. Cloud based services and controls

## **DETAILED SYLLABUS (HANDS-ON)**

### **A SPREADSHEETS**

1. Introduction to spreadsheets, including commonly used spreadsheet programs
2. Standard features of spreadsheets
3. Microsoft Office Excel (Excel)
  - (a) Using Excel:
    - (i) Starting Excel
    - (ii) Excel working environment
    - (iii) Using the ribbon as the Excel user interface
    - (iv) Navigating within the worksheet/ workbook
    - (v) Selecting a cell or range of cells
    - (vi) Entering data

- (vii) Cutting, copying and pasting cell values
- (viii) Copy and paste special
- (ix) Saving and opening a workbook
- (b) Managing rows and columns:
  - (i) Inserting, moving and deleting cells
  - (ii) Managing columns and rows
  - (iii) Hiding and unhiding rows/ columns
  - (iv) Formatting column widths and row heights
- (c) Managing worksheets:
  - (i) Formatting worksheet tabs
  - (ii) Inserting and deleting worksheets
  - (iii) Moving and copying worksheets
  - (iv) Hiding and unhiding worksheets
- (d) Formatting:
  - (i) Formatting cells
  - (ii) Formatting text and data
  - (iii) Number and date formatting
  - (iv) Merging cells, columns and rows
  - (v) Text wrapping
  - (vi) Formatting column width and row height
  - (vii) Finding and replacing text
  - (viii) Formatting using cell styles
- (e) Formulas and functions:
  - (i) Entering formulas
  - (ii) Arithmetic operators and order of operations
  - (iii) Auto-fill options
  - (iv) Commonly used functions: VLOOKUP, HLOOKUP, SUM, IF, MAX and MIN, SUMIF, COUNTIF, AND, OR, Left, Right and Concatenate, Round, Proper, Now, Rank, Financial functions

- (f) Worksheet and table data:
  - (i) Creating and modifying tables
  - (ii) Sorting and filtering data in tables
  - (iii) Summarising table information
  - (iv) Search and replace
  - (v) Preparing output
- (g) Charts:
  - (i) Column charts
  - (ii) Bar charts
  - (iii) Line charts
  - (iv) Scatter charts
  - (v) Pie (doughnut) charts
- (h) Workbooks:
  - (i) Linking worksheets
  - (ii) Print areas; printing worksheets
  - (iii) Page setup options
  - (iv) Setting page breaks

## **B WORD PROCESSING**

1. Introduction to word processing, including commonly used word processing programs
2. Contents and uses of features of word processing programs
3. Using the Word Application:
  - (a) Saving document to a location on a drive, under another name and in another file type such as Text file, Rich text format, Hypertext Markup Language (HTML), Template, Software specific file extension and Version number
  - (b) Switching between open documents
  - (c) Using available help functions
  - (d) Closing a document
  - (e) Adjusting settings
  - (f) Changing between page view modes

- (g) Using magnification/ zoom tools
  - (h) Displaying/ hiding built-in toolbars
  - (i) Displaying/ hiding non-printing characters
  - (j) Modifying basic options/ preferences in the Application, including user name, default directory/ folder to open, save documents
4. Main operations:
- (a) Inserting and deleting text
  - (b) Paragraphing
  - (c) Using the keyboard to navigate around a document
  - (d) Inserting special characters and symbols
  - (e) Selecting data, character, word, line, sentence, paragraph and entire body text
  - (f) Using the 'undo' and 'redo' commands
  - (g) Duplicating, moving, deleting a file
  - (h) Duplicating text within a document and between open documents
  - (i) Editing content, including inserting new characters, words within existing text, overwriting text
  - (j) Searching and replacing
  - (k) Using a simple 'replace' command for a specific word or phrase
5. Document formatting:
- (a) Inserting and removing paragraph marks
  - (b) Inserting and removing soft carriage return/ line break marks
  - (c) Aligning text to the left, centre, right and justified
  - (d) Setting paragraph alignment
  - (e) Setting alignment in styles
  - (f) Indenting paragraphs to the left, right, first line or hanging
  - (g) Line spacing: Single, double and line spacing within paragraphs

- (h) Applying spacing above and/ or below paragraphs
  - (i) Setting, removing and using tabs: Left, centre, right and decimal
  - (j) Applying bullets:
    - (i) Numbers to a single level list
    - (ii) Removing bullets/ numbers from a single level list
    - (iii) Bulleting an existing list/ quick method
    - (iv) Bulleting an existing list using 'Format'
    - (v) Creating a new bullet list
    - (vi) Turning off bullets
    - (vii) Creating a numbered list
  - (k) Borders and shading
6. Tables:
- (a) Creating a table
  - (b) Inserting and editing data in a table
  - (c) Selecting cells, rows, columns and entire table
  - (d) Inserting/ deleting rows and columns
  - (e) Modifying column width and row height
  - (f) Modifying cell border width, style and colour
  - (g) Setting borders of individual cells/ blocks of cells
  - (h) Adding shading to cells
  - (i) Adding a shadow on the table
  - (j) Other important table functions
7. Pictures, images and charts:
- (a) Inserting picture or image or chart into a document
  - (b) Selecting picture, image or chart in a document
  - (c) Duplicating picture, image or chart within a document
  - (d) Resizing a picture, image or chart within a document
  - (e) Deleting a picture, image, chart within a document
8. Mail merging:
- (a) Starting 'mail merge'



- (b) Identifying the main document
  - (c) Creating a recipient list
  - (d) Customising columns in a recipient list
  - (e) Rearranging columns in a recipient list
  - (f) Saving a recipient list
  - (g) Entering records into a recipient list
  - (h) Sorting records to be merged
  - (i) Highlighting merge fields
  - (j) Inserting merge fields into a document
  - (k) Previewing merged data
  - (l) 'If-Then-Else' rule
  - (m) Merging to a new document
  - (n) Merging to a printer
9. Output:
- (a) Document proofing: Checking layout, presentation and spelling
  - (b) Spell-check
  - (c) Using Thesaurus

## **C PRESENTATION SOFTWARE**

1. Key features of and commonly used presentation software
2. Contents and uses of features of presentation software
3. Preparing a presentation
4. Exploring the 'PowerPoint' Application
5. Developing and working with presentations
6. Slides
7. Designing templates
8. Editing and proofing text
9. Formatting presentation text
10. Formatting bullets and numbers
11. Working with tables
12. Using graphic images

13. Using SmartArt
14. Master slide
15. Working with drawn objects and pictures
16. Text and images
17. Charts and graphs
18. Adding special effects
19. Duplicating, moving and deleting slides
20. Using page setup: Change slide setup, slide orientation to portrait and/or landscape
21. Using slide show view
22. Preparing output
23. Notes, outlines, page name
24. Handouts
25. Delivering a presentation.

## **REFERENCES**

1. ICPAU, Management & Information Systems, Kampala.
2. Bocij P., Chaffey D., Greasley A. and Hickie S., 2014. Business Information Systems: Technology, Development and Management in the E-Business, 5<sup>th</sup> Ed Pearson Education Limited.
3. Cobham, D. and Curtis, G. , 2008. Business Information Systems, 6<sup>th</sup> Ed, Pearson Education Limited.
4. Kayondo, B. , 2017. ICT Essentials for Secondary and Tertiary Institutes, MPK Publishers, Kampala
5. Kizza, J. M. , 2017. Ethics in Computing A Concise Module, Springer International Publishing
6. Kurose J and Ross, K., 2013. Computer Networking, A Top Down Approach Using the Internet, 6<sup>th</sup> Ed, Addison-Wesley Computer Science.
7. Pressman R.S., 2010. Software Engineering, A Practitioner's Approach, 7<sup>th</sup> Ed, New York: Mc Graw Hill Companies.
8. Stair R & Reynolds G., 2017. Fundamentals of Information Systems, 9<sup>th</sup> Ed, Boston: Cengage Learning.

# BUSINESS MANAGEMENT

# PAPER 8

## **OVERALL AIM**

To equip the learner with knowledge and skills that form the foundations of business management and entrepreneurship.

## **LEARNING OUTCOMES**

On completion of this course, the learner should be able to:

	<b>Learning outcomes</b>	<b>K</b>	<b>C</b>	<b>A</b>	<b>An</b>	<b>S</b>	<b>E</b>
1.	Describe the environment within which businesses operate		✓				
2.	Describe the objectives of a business		✓				
3.	Discuss the functional areas of management		✓				
4.	Discuss the principles and theories of management		✓				
5.	Describe the elements of good governance		✓				
6.	Discuss ethical issues in business and possible solutions		✓				

## **LEVEL OF ASSESSMENT**

The examinations will test the learner's knowledge, comprehension, application and evaluation of principles and theories of management.

## **EXAMINATIONS STRUCTURE**

There will be a three-hour examination comprising of sections A and B. Section A will comprise one compulsory case study question of 20 marks. Section B will comprise of five questions of 20 marks each, of which the candidate will be required to attempt any four.

## **DETAILED SYLLABUS**

### **A. INTRODUCTION TO MANAGEMENT**

1. Levels of management
2. Management as an art and as a science
3. Essential skills of managers
4. Roles and responsibilities of managers/ management
5. Resources required by managers

### **B. BUSINESS ENVIRONMENT**

1. Political/Legal environment
  - (a) Enforcement of laws and regulations
  - (b) Self-regulation
  - (c) Creation of economic conditions for business to operate (including taxation and public spending)
2. Social environment
  - (a) The demographic environment
  - (b) Difference and changes in the composition and characteristics of society in terms of age, sex, marital status, family size, occupation, income, education, ethnic origin and geographical location
  - (c) The values, attitudes and beliefs of society
3. Technological environment
  - (a) Major developments - impact on organisations and external effects
  - (b) Society and technology
  - (c) PEST analysis
  - (d) Opportunities and threats
  - (e) Organisational response to threats and opportunities
  - (f) Effects of technological change on organisational structure and strategy;
    - (i) Downsizing
    - (ii) Delaying
    - (iii) outsourcing

### **C. OBJECTIVES OF BUSINESS**

1. Mission and vision
2. Business aims and objectives
3. The different types of business organisations and their characteristics;
  - (a) commercial
  - (b) Not-for-profit
  - (c) Public sector
  - (d) Non-governmental organisations
  - (e) Cooperatives
4. Primary objectives/ purpose basing on the different types of business organisations
  - (a) Wealth maximisation
  - (b) Growth; increase in size, scale of operations, increase in market share
  - (c) Profit maximisation and
  - (d) Survival
5. Secondary objectives:
  - (a) Market standing and share
    - (i) Innovation
    - (ii) Productivity
    - (iii) Value addition
    - (iv) Acquisition and application of physical resources and technology
    - (v) Return on capital employed (ROCE)
    - (vi) Employees and management
    - (vii) Financial resources and social responsibility
  - (b) Social objectives
  - (c) Importance of business objectives
6. Conflict of objectives
  - (a) Stakeholder analysis; internal, connected and external stakeholders and their impact on businesses.

- (b) Stakeholder coalitions; impact of the different stakeholders on business organisations.
- (c) Stakeholder mapping; the power and influence different stakeholders have on business organisations, including how their needs should be accommodated

## **D. THEORIES OF MANAGEMENT**

1. Classical theories of management:
  - (a) Scientific management, including its proponents, application of scientific management approach and criticisms of scientific management
  - (b) Administrative principles, including the proponents, division of administrative activities and Henri Fayol's principles of management
  - (c) Bureaucratic organisation, including its proponents, characteristics of bureaucratic organisations as well as benefits and disadvantages of bureaucracy
2. The human relations and social psychological theories, including proponents and arguments for and against the behavioural approach
3. The quantitative approaches to management
4. Other theories of management:
  - (a) Empirical school
  - (b) The social systems approach
  - (c) The socio-technical systems approach
  - (d) The decision theory
  - (e) Contingency/ situational theory
  - (f) Comparative management approach
5. Application of management theories in a changing environment

## **E. FUNCTIONS OF MANAGEMENT**

1. Planning
  - (a) Types and models
  - (b) Management by objectives
  - (c) Strategic plans, operational plans, contingency plans and planning time horizons
  - (d) Benefits of planning
2. Controlling
  - (a) Steps in the tradition control process
  - (b) Establishment of standards of performance
  - (c) Measurement of actual performance
  - (d) Comparison of performance to standards
  - (e) Feedback
  - (f) Bureaucratic control versus decentralised control
3. Co-ordination
  - (a) definition, types-internal and external, vertical and horizontal)
  - (b) Organisational structure, including different formal organisational structures, the different departments with their roles, centralisation and decentralisation with advantages and disadvantages
  - (c) Organisational culture in business organisations;
    - (i) Definition
    - (ii) Factors that shape the culture of organisation
    - (iii) Contribution of different writers on organisational culture;
      - Schein; determinants of organisational culture
      - Handy; the four cultural stereotypes
      - Holfstede; international perspectives on culture
  - (d) The need for co-ordination
  - (e) The importance for co-ordination

4. Communication
  - (a) Meaning, methods and choice of methods of communication
  - (b) The communication processes
  - (c) The importance of communication
  - (d) Barriers to communication and overcoming them
5. Leadership and delegation
  - (a) Types of power
  - (b) Leadership traits
  - (c) Autocratic versus democratic leadership: The leadership continuum (Tannenbaum and Schmidt)
  - (d) Behavioural approaches: The leadership grid (Blake and McCanse)
  - (e) Contingency approaches developing towards situational theory
  - (f) Management versus leadership
  - (g) Teams;
    - (i) Purpose
    - (ii) Formation, including tools or techniques of team building
    - (iii) Development
    - (iv) Management
    - (v) Advantages and disadvantages
    - (vi) Characteristics of effective and ineffective teams.
  - (h) Committees
    - (i) Purpose of committees
    - (ii) Types used by businesses
    - (iii) Advantages and Disadvantages
6. Decision-making
  - (a) Types of decisions
  - (b) Programmed and non-programmed decisions



- (c) Decision-making models:
  - (i) Classical model
  - (ii) Administrative model
  - (iii) Decision making steps
  - (iv) Recognition of decision requirement
  - (v) Diagnosis and analysis of causes
  - (vi) Development of alternatives
  - (vii) Selection of desired alternative
  - (viii) Implementation of chosen alternative
  - (ix) Evaluation and feedback
  - (x) Monitoring, evaluation and motivation
- (d) Decision-making steps

## **F GOVERNANCE**

1. Importance of governance
2. Corporate governance, including the elements and pillars of corporate governance, corporate governance problems and the Code of Best Practice
3. Board of directors, including their roles and composition (including committees of the board) and duties of directors as agents
4. Governance and corporate social responsibility

## **G BUSINESS REPUTATION**

1. Importance
2. Building business reputation/ corporate image
3. Protection and maintenance of business reputation
4. Reputation management
5. Effects of bad reputation

## **H      ETHICAL ISSUES IN BUSINESS AND ACCOUNTANCY**

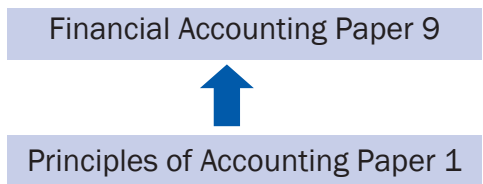
1. Business ethics and importance of ethics
2. Ethical issues arising from the nature of markets, responsibility of business to society and internal/ industry practices of business

### **REFERENCES:**

1. ICPAU, Management and Information Systems, Kampala.
2. DuBrin, J. A., 2019. Essential of Management, 11<sup>th</sup> ed, Cengage Learning (EMEA) Ltd.
3. Gerald, A. C and Phil Kelly., 2020. Management: Theory & Practice, 9<sup>th</sup> ed, UK: Cengage Learning.

# LEVEL III FINANCIAL ACCOUNTING PAPER 9

## SYLLABUS CHART



### **OVERALL AIM**

To equip the learner with skills to prepare, analyse and interpret financial information.

### **LEARNING OUTCOMES**

On completion of this course, the learner should be able to:

	<b>Learning outcomes</b>	<b>K</b>	<b>C</b>	<b>A</b>	<b>An</b>	<b>S</b>	<b>E</b>
1.	Explain the conceptual and regulatory framework of financial reporting in Uganda	✓					
2.	Apply accounting concepts and conventions			✓			
3.	Prepare financial statements for partnerships			✓			
4.	Prepare financial statements of manufacturing concerns			✓			
5.	Prepare specialised accounts			✓			
6.	Prepare financial statements for companies			✓			
7.	Interpret financial information				✓		
8.	Explain ethical issues pertaining to accountancy	✓					

## **LEVEL OF ASSESSMENT**

The examination will test the learner's knowledge and application of accounting principles and concepts and analysis of financial information.

## **EXAMINATION STRUCTURE**

There will be a three-hour examination comprising six questions of 20 marks each, of which the candidate will be required to attempt any five.

## **DETAILED SYLLABUS**

### **A ACCOUNTING CONCEPTS AND CONVENTIONS**

1. Application of concepts/ conventions covered under Principles of Accounting
2. Underlying accounting assumptions, i.e., accrual basis and going concern

### **B FRAMEWORK FOR FINANCIAL REPORTING IN UGANDA**

1. Users of financial statements and their information needs
2. Objectives and qualitative characteristics of useful financial information
3. Elements of financial statements
4. Need for regulation of financial reporting
5. Forms of regulation:
  - (a) Legal framework, including Companies Act, 2012; Public Finance Management Act, 2015 as amended; Public Finance Management Regulations, 2016
  - (b) International Financial Reporting Standards (IFRS)
  - (c) Conceptual framework, including key elements of financial statements and interpretation and analysis of the elements of financial statements
  - (d) Capital Markets Authority and Securities Exchange and their roles in setting financial reporting requirements

## **C PARTNERSHIPS**

1. Accounting for changes in partnership on retirement, admission of new partner(s) and change in profit or loss sharing arrangements (including adjustments to assets and goodwill)
2. Accounting procedures for dissolution of partnerships including application of the rule in Garner versus Murray

## **D MANUFACTURING CONCERNS**

1. Retailing versus manufacturing businesses
2. Preparation of manufacturing accounts, including adjustments for work-in-progress, profit margins and mark-ups and transfers of finished goods to trading accounts
3. Apportionment of expenses to production, selling and distribution and administration
4. Preparation of financial statements (profit or loss and other comprehensive income and financial position)

## **E COMPANIES**

1. Companies limited by shares verses companies limited by guarantee
2. Accounting for issue of shares and debentures
3. Preparation of financial statements for internal use (profit or loss and other comprehensive income, financial position, changes in equity, cash flows and notes to financial statements)

## **F PREPARATION OF SPECIALISED ACCOUNTS**

1. Royalties
2. Branches/ departments
3. Hire purchase arrangements
4. Consignments
5. Joint ventures
6. Containers

**G****FINANCIAL REPORTING STANDARDS**

1. The standards setting process
2. Merits and demerits of accounting standards
3. Application of standards:
  - (a) International Accounting Standard (IAS) 1, Presentation of Financial Statements
    - (i) Objective of the Standard
    - (ii) Financial statements
    - (iii) Scope of the Standard
    - (iv) Key concepts of the Standard
    - (v) Information to be presented on the face of each financial statement
    - (vi) Minimum information to be disclosed on the face of each financial statement
    - (vii) Statement of profit or loss and other comprehensive income, including, meaning of comprehensive income, reporting comprehensive income, results of operating activities and other comprehensive income
    - (viii) Statement of financial position, including line items for property plant and equipment, current assets and liabilities, non-current assets and non-current liabilities and equity
    - (ix) Statement of cash flows
    - (x) Statement of changes in equity
    - (xi) Accounting policies and notes to the financial statements
  - (b) International Accounting Standard (IAS) 2, Inventories
    - (i) Objective of the Standard
    - (ii) Scope of the Standard
    - (iii) Exceptions to the Standard
    - (iv) Key concepts of the Standard
    - (v) Cost of inventory; exclusions from the cost of inventory

- (vi) Cost formulas
- (vii) Presentation and disclosure
- (c) International Accounting Standard (IAS) 7, Statement of Cash Flows
  - (i) Meaning of cash, cash equivalent and cash flow
  - (ii) Disclosures under operating, investing and financing activities
  - (iii) Preparation of statement of cash flows
  
- (d) International Accounting Standard (IAS) 16, Property, Plant and Equipment
  - (i) Objective of the Standard
  - (ii) Scope of the Standard
  - (iii) Exceptions to the Standard
  - (iv) Key concepts of the Standard, including cost (initial and subsequent costs, elements of cost, measurement of cost, measurement after recognition), fair value, carrying amount, depreciation, impairment loss, property, plant and equipment recoverable amount and useful life
  - (v) Recognition and disposal of assets; capitalisation; write-offs and expenses; revaluation surplus/deficit; reversal of revaluation surplus
  - (vi) Presentation and disclosure of :
    1. Measurement bases and depreciation methods and depreciation rates
    2. Reconciliation of assets at the beginning and end of period showing, additions, disposals, revaluations (including date of revaluation and names of valuers), impairments and write-offs, assets pledged as securities for liabilities

- (e) International Financial Reporting Standard (IFRS) 15, Revenue from Contracts with Customers
  - (i) Objective of the Standard
  - (ii) Scope of the Standard
  - (iii) Exceptions to the Standard
  - (iv) Key concepts of the Standard
  - (v) Measurement
  - (vi) Revenue recognition from sale of goods and rendering of services; exceptions to recognition of revenue
  - (vii) Fair value and effective yield
  - (viii) Long-term construction contracts

## **H ETHICS**

1. Role / importance of ethics
2. Principles of business ethics
3. Fundamental ethical issues in business
4. Salient features of the ICPAU Code of Ethics



## **REFERENCES**

1. ICPAU, Financial Accounting. Kampala.
2. Institute of Certified Public Accountants of Uganda, 2007. Code of Ethics Kampala.
3. Wood F. & Sangster A., 2018. Business Accounting, 14<sup>th</sup> ed, Hoboken: Prentice Hall.
4. Government of Uganda, Uganda Printing and Publishing Corporation:
  - (a) Capital Markets Authority Act, 2011 as amended
  - (b) Public Finance Management Act, 2015 as amended
  - (c) Public Finance Management Regulations, 2016.
  - (d) Companies Act, 2012
5. International Accounting Standards Board, Current Edition. International Financial Reporting Standards. London: International Accounting Standards Board.

# PRINCIPLES OF TAXATION

## PAPER 10

### **OVERALL AIM**

To equip the learner with knowledge of Uganda's tax system and skills to determine different taxes and prepare tax returns.

### **LEARNING OUTCOMES**

On completion of this course, the learner should be able to:

	<b>Learning outcomes</b>	<b>K</b>	<b>C</b>	<b>A</b>	<b>An</b>	<b>S</b>	<b>E</b>
1.	Explain the objectives of taxation	✓					
2.	Discuss the factors that determine a country's taxable capacity		✓				
3.	Discuss forms of taxation in Uganda		✓				
4.	Describe the evolution of tax administration in Uganda		✓				
5.	Determine tax liability for various taxpayers			✓			
6.	Explain how the tax system applies to taxpayers in Uganda		✓				
7.	Prepare tax returns and other correspondence for taxpayers			✓			
8.	Demonstrate an understanding of tax assessment		✓				
9.	Discuss ethical challenges encountered in handling taxation issues		✓				

### **LEVEL OF ASSESSMENT**

The examination will test the learner's knowledge, comprehension and application of skills of determining various taxes and preparation of tax returns.

## **EXAMINATION STRUCTURE**

There will be a three-hour examination comprising six questions of 20 marks each, of which the candidate will be required to attempt any five.

## **DETAILED SYLLABUS**

### **A INTRODUCTION TO TAX ADMINISTRATION IN UGANDA**

1. History and evolution of tax administration in Uganda: Pre-URA2 regime to-date; URA regime; e-tax regime (registration, filing, assessment, payment, electronic fiscal devices)
2. Objectives of taxation
3. Principles/ canons of taxation
4. Tax incidence, tax impact, tax base, tax shifting
5. Characteristics of a good tax system

### **B NATURE AND SCOPE OF TAXATION**

1. Classifications of taxes
2. Direct tax and indirect taxes
3. Taxable capacity
4. Tax compliance, tax evasion and tax avoidance
5. Methods of tax accounting
6. Structure of Ugandan's tax system and its implications

### **C INCOME TAX PRINCIPLES**

1. Income tax, chargeable income, gross income, exempt income and exempt organisations
2. Residence status for individuals, companies, partnerships, trusts, retirement funds
3. Allowable and disallowable deductions; taxable and exempt income; basis of assessments; capital allowances
4. Year of income
5. Tax rates

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<sup>2</sup> URA denotes Uganda Revenue Authority

**D TAXATION OF EMPLOYMENT INCOME**

1. Meaning of employment; employment income
2. Sources of employment income
3. Taxable and nontaxable benefits
4. Allowable and non-allowable deductions
5. Exempt employment income
6. Tax credits
7. Income from past employment
8. Determination/ computation of employment income and tax liability

**E TAXATION OF BUSINESS INCOME**

1. Meaning of business; business income
2. Examples of business income
3. Characteristics of trade
4. Small business taxpayer: Meaning; consideration of presumptive income tax
5. Determination of taxable business income:
  - (a) Allowable and non-allowable deductions
  - (b) Capital deductions including industrial building allowance, initial allowance, wear and tear allowance, farm works allowance
6. Determination/ computation of chargeable income and tax liability

**F TAXATION OF PROPERTY INCOME**

1. Scope
2. Determination of applicable taxes

## **G TAXATION OF RENTAL INCOME**

1. Rental income and rental tax
2. Determination/ computation of rental tax

## **H CAPITAL GAINS TAX**

1. Scope of capital gains tax
2. Business assets
3. Cost base of an asset
4. Disposal of an asset

## **I WITHHOLDING TAX**

1. Parties to withholding tax
2. Payments subject to withholding tax
3. Withholding tax as a final tax
4. Payment of withholding tax and penalties for non-compliance
5. Determination of withholding tax

## **J ADMINISTRATION OF INCOME TAX**

1. Registration and deregistration of taxpayers
2. Tax returns
3. Tax assessment
4. Due dates and payment of final tax, provisional tax and withholding tax
5. Tax decisions, objections and appeals
6. Penalties and offences
7. Collection, recovery and refund of taxes
8. Small business taxpayers: Computation of small taxpayer's liability, return of gross income, election or option for income tax

## **K VALUE ADDED TAX (VAT)**

1. Advantages and disadvantages
2. Administration of VAT:
  - (a) Operations of the VAT department
  - (b) Taxable persons
  - (c) VAT registration and deregistration
  - (d) Taxable supplies of goods/ services, zero rated supplies, exempt supplies, mixed supplies
  - (e) Place of supply
  - (f) Rates of tax and tax periods
  - (g) Returns and due dates
  - (h) Payments and due dates
3. Accounting for VAT:
  - (a) Time/ point of supply
  - (b) Valuation of supplies
  - (c) Taxable value of imported goods and services
  - (d) Cash and invoice accounting
4. Tax invoices, credit notes, debit notes
5. Amended returns; returns that are filed separately
6. Powers and duties of the Commissioner General
7. Rights and obligations of a registered taxpayer
8. Determination/ computation of input and output tax
9. VAT refunds
10. Objections and appeals; offences and penalties

## **L OTHER SOURCES OF GOVERNMENT REVENUE**

1. Fines and penalties
2. Stamp duty
3. Licenses
4. Lotteries
5. Rates
6. Compulsory saving schemes

7. Government securities
8. Local service tax
9. Fees
10. Royalties
11. Grants, borrowings, donations

## **M CUSTOMS MANAGEMENT**

1. Prohibited and restricted imports
2. Importation procedures:
  - (a) Arrival and reporting procedures for goods
  - (b) Arrival by international trains, vehicles and other means overland
  - (c) Re-export procedures
  - (d) Goods in transit
3. Unloading and removal of cargo:
  - (a) Entry examination
  - (b) Removal of goods by sale in customs warehouse
  - (c) Passenger clearance
4. Customs warehouses
  - (a) Receipt/ delivery of goods
  - (b) Disposal of warehouse goods
5. Bonded warehouses
  - (a) Receipt/ delivery of goods
  - (b) Entry and control of goods prior to bonded warehouse
  - (c) Licensing of bonded warehouse
  - (d) Goods not allowed in bonded warehouses
6. Exportation procedures:
  - (a) Customs procedures for exports
  - (b) Entry outwards of goods
  - (c) Export of bonded goods

7. Smuggling:
  - (a) Forms
  - (b) Reasons for imposing prohibitions
  - (c) Reasons for restriction of certain goods
  - (d) Problems associated with smuggling
  - (e) Ways of preventing smuggling; treatment of offenders.
8. Importation by post:
  - (a) Procedures for clearing parcels, including examination procedures for parcels and redirecting parcels
  - (b) Warehousing of imports by post
9. Customs union, including benefits, challenges, opportunities created
10. Common markets, including advantages and trade barriers
11. Customs valuation and computation of duty

## **N ETHICAL ISSUES**

1. Ethical challenges that may be encountered in carrying out tax work
2. Importance of acting with integrity and consequences of tax avoidance

## **REFERENCES**

1. ICPAU, Taxation, Kampala.
2. Government of Uganda, by Uganda Printing and Publishing Corporation:
  - (a) Income Tax Act
  - (b) Value Added Tax
  - (c) Excise Duty Act
  - (d) The East African Customs Management Act
  - (e) The Tax Procedures Code Act



# PRINCIPLES OF FINANCE

# PAPER 11

## **OVERALL AIM**

To equip the learner with skills to apply the principles of finance to business decision making.

## **LEARNING OUTCOMES**

On completion of this course, the learner should be able to:

	<b>Learning outcomes</b>	<b>K</b>	<b>C</b>	<b>A</b>	<b>An</b>	<b>S</b>	<b>E</b>
1.	Explain the finance function and the environment in which it operates	✓					
2.	Identify sources of finance for an organisation	✓					
3.	Calculate basic risk and return measures			✓			
4.	Determine the cost of capital for an organisation			✓			
5.	Analyse the viability of investments using appropriate techniques				✓		
6.	Analyse various forms of dividends payable by an organisation				✓		
7.	Explain ethical issues in finance	✓					
8.	Apply basic concepts of Islamic finance			✓			

## **LEVEL OF ASSESSMENT**

The examination will test the learner's knowledge, application and analytical skills in financial management.

## **EXAMINATION STRUCTURE**

There will be a three-hour examination comprising six questions of 20 marks each, of which the candidate will be required to attempt any five.

## **DETAILED SYLLABUS**

### **A OVERVIEW OF FINANCE**

1. Nature and scope of finance
2. Relationship between accounting and finance
3. Finance functions
4. Goals of a firm
5. Agency theory: Conflicts and resolutions

### **B SOURCES OF FINANCE AND COST OF CAPITAL**

1. Factors to consider when choosing a source of finance
2. Internally and externally generated finances
3. Short-term and medium-term sources of capital, including factoring, invoice discounting, commercial paper, bank finance, trade credit, hire purchase, leasing and bills of exchange
4. Long-term sources of finance, including equity, preference shares, debentures and bonds
5. Significance of cost of capital to firms
6. Factors influencing a firm's cost of capital
7. Components of cost of capital

### **C FINANCIAL MARKETS AND SYSTEMS**

1. Role and importance of financial markets and systems
2. Market participants and financial innovation
3. Types and functions of financial markets; characteristics of a good market
4. The flow of funds and the financial system
5. Organisation, structure and functions of securities markets
6. Automated securities exchanges/ automated trading systems and central depository systems

7. Role of government in the financial system: Capital Markets Authority, central bank, Central Depository and Settlement Company

## **D TIME VALUE OF MONEY**

1. Time value of versus time preference for money; relevance of time value of money
2. Discounting and compounding techniques
3. Loan amortisation

## **E RISK AND RETURN**

1. Components of risk and return
2. Sources of risk
3. Measures of risk and return for a single asset
4. Distinction between risk-free and risky assets
5. Relationship between risk and return on investments

## **F WORKING CAPITAL MANAGEMENT**

1. Nature and importance of working capital management
2. Determinants and elements of working capital
3. Determination of working capital needs
4. Working capital operating cycle
5. Working capital financing policies
6. Computation and interpretation of working capital ratios
7. Cash management and cash flow planning; profit versus cash flow
8. Reasons for holding cash and other liquid assets
9. Accounts receivable management: Credit control policy, credit worthiness, risks and costs of customer default, factoring and invoice discounting
10. Simple cash budget preparation and interpretation
11. Accounts payable management

## 12. Inventory management:

- (a) Associated costs, including stock-out costs, stock holding costs, procurement/ purchase costs
- (b) Inventory control systems, including total quality management, just-in-time philosophy; merits and demerits of each system

## **G CAPITAL BUDGETING**

1. Importance, characteristics and types of capital investment decisions
2. Capital investment cash flows: Total initial cash outlay, total terminal cash flows and net annual operating cash flows
3. Investment evaluation criteria
4. Investment appraisal techniques, including accounting rate of return, payback period, internal rate of return, net present value and profitability index; merits and demerits of each investment appraisal technique

## **H DIVIDEND DECISIONS**

1. Factors influencing the dividend decision of an entity
2. Forms of dividend payment
3. Dividend policies, including pay-out ratio policy, residual policy, stable predictable policy, low regular plus extra policy
4. Dividend payment chronology, including declaration date, holder of record date, ex-dividend date and payment date

## **I ISLAMIC FINANCE**

1. Islamic financing:
  - (a) Meaning
  - (b) Sudden interest in Islamic financing
  - (c) Tradition on which Islamic financing is based
  - (d) Islamic versus conventional modes of financing

2. Banking and interest (Riba):
  - (a) Relationship between users and suppliers of funds
  - (b) Contracts and products
  - (c) Islamic versus conventional banks
3. Sharia board: Composition and functions
4. The principles of Islamic finance:
  - (a) Interest-free
  - (b) Need for underlying assets
  - (c) Avoidance of uncertainty/ gambling
  - (d) Profit and loss sharing; profit sharing principle
  - (e) Rights and liabilities of banks and customers
  - (f) Sharia compliance
  - (g) Unlawful goods and services
5. The concept for time value of money
6. Islamic financing structures, including murabaha, tawarruq, wakala, ijarah, istisna'a, musharaka, sukuk and mudaraba
7. Islamic capital markets:
  - (a) Islamic financial instruments
  - (b) Potential for Islamic capital instruments
8. Sharia compliance and the equity market
9. Issues that need to be considered:
  - (a) Risks and liabilities
  - (b) Co-financing
10. Requirements for sustained growth of Islamic finance

## **J SOCIAL RESPONSIBILITY AND ETHICS**

1. Conflict of interest
2. Objectivity
3. Integrity
4. Accuracy
5. Transparency

6. Money laundering
7. Insider dealing
8. Environmental management
9. Provisions of the following:
  - (a) Financial regulation
  - (b) Financial Intelligence Authority
  - (c) Anti-money Laundering Act
  - (d) Market regulations and restrictive practices
  - (e) Deregulation and privatisation

## **REFERENCES**

1. ICPAU, Financial Management, Kampala
2. Brigham F and Scott B, 2014. Principles of Finance. 6<sup>th</sup> Edition, Mason: Cengage Learning.
3. Hirt, B. D., 2014. Corporate Finance Foundations, 15<sup>th</sup> Edition, New York: McGrawHill Irwin.
4. Pandey, I. M., 2015. Financial Management, 11<sup>th</sup> Edition, New Delhi: Vikas Publishing House.
5. Richard, P., Bill, N., Saeed, A and Philip, L., 2018. Corporate Finance and Investment (Decisions and Strategies). 9<sup>th</sup> Edition, Harlow: Pearson International.

# PRINCIPLES OF AUDITING

## PAPER 12

### **OVERALL AIM**

To equip the learner with skills of audit planning, execution, finalisation and facilitation.

### **LEARNING OUTCOMES**

On completion of this course, the learner should be able to:

	<b>Learning outcomes</b>	<b>K</b>	<b>C</b>	<b>A</b>	<b>An</b>	<b>S</b>	<b>E</b>
1.	Describe the need for and nature of auditing		✓				
2.	Describe the legal, regulatory and ethical environments within which audits are performed		✓				
3.	Describe the principles and procedures of auditing		✓				
4.	Explain how audit work is documented	✓					
5.	Demonstrate an understanding of internal controls		✓				
6.	Describe how computer-assisted audit techniques are applied		✓				
7.	Discuss the risks of auditing in a computerised environment		✓				
8.	Discuss the role of internal auditing		✓				
9.	Demonstrate an understanding of the conduct and finalisation of an audit		✓				

### **LEVEL OF ASSESSMENT**

The examination will test the learner's ability to plan, execute and/ or facilitate an audit.

## **EXAMINATIONS STRUCTURE**

There will be a three-hour examination comprising six questions of 20 marks each, of which the candidate will be required to attempt any five.

## **DETAILED SYLLABUS**

### **A INTRODUCTION**

1. Meaning of auditing and an audit
2. Auditing versus accounting
3. History and changing role of auditing
4. Purpose/ objectives of an audit
5. The information gap and stewardship
6. Auditing postulates
7. Qualities of an auditor and auditor's independence
8. Audit evidence, materiality, true and fair view and disclosure of accounting policies
9. Statutory, government, private audits; internal audits and other assurance assignments, such as forensic audits, value for money audits and audits relating to environmental and social issues
10. Advantages and disadvantages of auditing

### **B LEGAL, REGULATORY AND ETHICAL ENVIRONMENTS**

1. Regulation and authorisation of auditors:
  - (a) Role of Institute of Certified Public Accountants of Uganda (ICPAU)
  - (b) Rules governing auditors
  - (c) Reasons and mechanisms for the regulation of auditors
2. Appointment and rights and duties of auditors; resignation and dismissal of auditors



3. Auditing standards and guidelines:
  - (a) The standard setting process of the IAASB<sup>3</sup>; applicability of International Standards on Auditing (ISAs)
  - (b) Auditing guidelines issued by ICPAU
  - (c) Audit failure
4. Ethical requirements:
  - (a) Fundamental principles of professional ethics, including threats to the Principles and safeguards against the threats and importance of the Principles
  - (b) Auditors' responsibility with regard to independence, conflict of interest and confidentiality
  - (c) Provisions of ICPAU Code of Ethics
5. Auditor's liability:
  - (a) Liability that may arise due to negligence; liability under private and statutory audits; criminal liability under the Companies Act
  - (b) Minimisation of liability
  - (c) Reference to decided cases including the Caparo, the Al-Saudi Banque, London Oil Storage, Kingston Cotton Mill Ltd, Hedley Byrne cases
6. Regulatory environment for statutory audits, including the requirements of the:
  - (a) Accountants Act, 2013
  - (b) Companies Act, 2012
  - (c) Insurance Act
  - (d) Financial Institutions Act

## **C CONDUCT OF AN AUDIT**

1. Audit engagement:
  - (a) Procedures for obtaining new audit work

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<sup>3</sup> IAASB is the International Auditing and Assurance Standards Board

- (b) The tendering process, including the risks involved
  - (c) Accepting new audit engagements:
    - (i) Ethical, legal, practical, risk considerations
    - (ii) Procedures for accepting new audit work
    - (iii) Engagement letter, including its importance, contents, format and preparation
2. Objective of and procedures for undertaking an audit of financial statements; influences on the conduct of an audit and the risk-based approach to auditing
3. Planning and risk assessment:
- (a) Audit planning:
    - (i) Need for planning and the planning process
    - (ii) Overall audit strategy and audit plan and the relationship between them
    - (iii) Development and documentation of an audit plan
  - (b) Professional judgment and materiality
  - (c) Risk assessment:
    - (i) Audit risks at the financial statement and assertion levels
    - (ii) Auditor's response to identified risks
    - (iii) Determination of materiality levels
    - (iv) Identification and assessment of risk of material misstatements
    - (v) Assessment of risks due to fraud; effect of fraud and material misstatements on audit strategy and work to be done
  - (d) Understanding the entity and its environment:
    - (i) Application of preliminary analytical procedures including the use of ratios
    - (ii) Interim auditing, including its effect on the final audit
  - (e) Audit documentation

## **D INTERNAL CONTROLS**

1. Internal control systems:
  - (a) Control environment, control risk and tests of control
  - (b) Elements of an internal control system
  - (c) Assessment of internal control system
  - (d) Importance and limitations of internal control systems
  - (e) Management's responsibility for internal controls
  - (f) Importance of internal controls to auditors
  - (g) Internal control procedures and activities
  - (h) Understanding of internal control activities by the auditor
  - (i) Internal controls over sales revenue and accounts receivable; purchases and accounts payable; inventory; revenue and capital expenditure; payroll; cash and bank
2. Audit of internal control systems
3. Compliance tests:
  - (a) Tests of control versus substantive procedures
  - (b) Tests of control suitable for inclusion in audit working papers
  - (c) Weaknesses in internal control system
4. Risk assessment:
  - (a) Management's risk assessment process with reference to internal control components
  - (b) Limitations of internal control components in the context of fraud and error
  - (c) Reporting of internal control weaknesses and recommendations to overcome them
5. Internal controls relating to financial reporting

## **E      AUDIT EXECUTION**

1. Audit evidence and sampling
2. Analytical procedures
3. External confirmations
4. Audit procedures:
  - (a) Income statement assertions
  - (b) Matters relating to recognition of revenue and expenses and procedures for verifying revenue and expenditure
  - (c) Audit evidence in respect of the audit of income statement items
  - (d) Payroll audit
5. Balance sheet audit:
  - (a) Assertions
  - (b) Audit of balance sheet items; audit evidence in respect of the audit of balance sheet items and application of analytical procedures
  - (c) Post balance sheet review and its importance to an audit
  - (d) Review of events after the reporting period
6. International Standard on Auditing (ISA) 700, The Independent Auditor's Report on a Complete set of General Purpose Financial Statements:
  - (a) Key definitions
  - (b) Use of audit evidence to form an opinion and types of opinions
  - (c) Evaluation of external confirmations
  - (d) Format of auditor's report
  - (e) Modification to the auditor's opinion and circumstances when it is required; form and content of the auditor's report when the opinion is modified

- (f) Emphasis of matter paragraph and other matter paragraphs

**F AUDIT FINALISATION**

1. Review of audit files and evaluation of misstatements
2. Subsequent events review
3. Going concern review
4. Review of management representations obtained
5. Final analytical reviews
6. Audit firm's self-review of continued independence
7. Second partner review

**G. AUDITING IN AN INFORMATION TECHNOLOGY (IT) ENVIRONMENT**

1. Benefits and drawbacks of computerised accounting systems
2. Computer-aided/ assisted audit techniques (CAATs) and auditing around/ through the computer
3. Risks and challenges of auditing in an IT environment
4. Application and general IT controls
5. Key aspects of computer auditing

**H. INTERNAL AUDITING**

1. Role of internal auditing, including the use of the Internal Professional Practices Framework
2. External versus internal auditing
3. Performing an internal audit assignment
4. Developments in internal auditing:
  - (a) Nature and purpose of internal audit assignments including value for money, information technology, investigation

- (b) Audit of organisational operations (procurement, marketing, treasury and human resource management)
- (c) Outsourcing the internal audit function

## **REFERENCES**





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2. Institute of Certified Public Accountants of Uganda, 1997. Code of Ethics
3. International Auditing and Assurance Standards Board, 2020. Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements, New York, USA.
4. Alan M & John T., 2012. Auditing, 10<sup>th</sup> ed, Andover: Cengage Learning Higher Education.
9. International Federation of Accountants, 2021. The International Code of Ethics for Professional Accountants, New York,



# **ACCOUNTING TECHNICIANS DIPLOMA (ATD)**

## **EXAMINATION SYLLABUS 2023**

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