

Second Year Syllabus

Academic Year 2011-2012

September 2011



Notice to all Second Year Students

All students seeking to progress into Second Year of the programme, please note that to do so, you must successfully complete (or be exempted from) at least 3 First Year subjects, to include both Financial Accounting and Taxation.

It is not possible to commence Second Year until you have fulfilled this requirement.

If you have any queries in this regard, please contact Student Services at (01) 649 8180 or students@accountingtechniciansireland.ie



Module 5:
Advanced Financial Accounting
Mandatory Module

Advanced Financial Accounting

Subject Status	Mandatory
Terminal Exam	100%
Module Pass Mark	50%
Learning Modes	Direct Lectures, Seminars, Tutorials, Self-Directed Learning
Pre-requisite:	Financial Accounting, Taxation and either Business Management or Law & Ethics

Key Learning Outcome

The key objectives of this module is to ensure that learners build on the competencies gained in Financial Accounting I and develop a knowledge and understanding of more advanced accounting issues.

Key Syllabus Elements and Weightings

- | | | |
|----|--|-----|
| 1. | Conceptual and Regulatory Framework | 30% |
| 2. | Financial Statements | 50% |
| 3. | Interpretation of Financial Statements | 20% |

Learning Outcomes linked to Syllabus Elements

Conceptual and Regulatory Framework

On completion of this aspect of the module, learners will have acquired the following knowledge, competencies and know-how: -

- (a) An understanding of the influence of legislation and accounting standards on the production of published accounting information for organizations;
- (b) An understanding of the accounting standard setting process;
- (c) A knowledge of and ability to critically analyse specified accounting standards;
- (d) Be able to recognise and comment on professional ethical issues relevant to business owners, managers and accountants.

Financial Statements

On completion of this aspect of the module, learners will have acquired the following knowledge, competencies and know-how: -

- (a) The ability to prepare accounts from incomplete records;
- (b) The ability to prepare financial statements for partnerships and demonstrate an understanding of capital and current accounts for individual partners;
- (c) The ability to prepare accounts for limited companies for internal and external purposes and demonstrate an understanding of the impact of legislation and accounting standards on the publication of financial statements;
- (d) An appreciation of the importance of cash to business and the ability to prepare cash flow statements for limited companies.

Interpretation of Financial Statements

On completion of this aspect of the module, learners will have acquired the following knowledge, competencies and know-how: -

- (a) An ability to understand, explain and use ratio analysis as a technique in decision making and performance evaluation
- (b) The ability to critically analyse and interpret financial statements and communicate in a professional manner to relevant interested parties

MODULE 5 ADVANCED FINANCIAL ACCOUNTING			
<i>Specific Functional Knowledge and Competencies</i>	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
Conceptual and Regulatory Framework	(30%)		
Influence of legislation and accounting standards on the production of published accounting information for organisations			
Impact of legislation on the preparation and reporting of financial statements	●		
Roles of the International Accounting Standards Board, the Standards Advisory Council and the International Financial Reporting Interpretations Committee	●		
Application of International Accounting Standards and International Financial Reporting Standards to the preparation and presentation of financial statements	●		
Framework for the Preparation and Presentation of Financial Statements			
The objective of financial statements	●	●	
Underlying assumptions	●	●	
Qualitative characteristics of financial statements	●	●	
Elements of financial statements	●	●	
Standard setting process			
Standard setting process	●		
Accounting standards and the law	●		
Published accounts	●	●	●
The role of the stock exchange	●		
Internal and external auditors and ethical issues for the Accounting Technician			
Role and duties of internal and external auditors	●		
Internal control systems	●	●	●
Ethical issues and responsibilities accruing	●	●	
Content and application of specified accounting standards			
IAS 1 Presentation of Financial Statements	●	●	●
IAS 2 Inventories	●	●	●
IAS 7 Cash Flow Statements	●	●	●

<i>Specific Functional Knowledge and Competencies</i>	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
IAS 8 Accounting policies, change in accounting estimates and errors	●	●	●
IAS 10 Events after the Balance Sheet date	●	●	●
IAS 12 Income Taxes (excluding Deferred Tax)	●	●	●
IAS 16 Property, Plant and Equipment	●	●	●
IAS 17 Leases (Lessee accounting only)	●	●	●
IAS 20 Accounting for Government Grants and Disclosure of Government Assistance	●	●	●
IAS 37 Provisions, Contingent Liabilities and Contingent Assets	●	●	●
Professional ethical issues relevant to business owners, managers and accountants			
Understanding and application of ethical issues	●	●	
Financial Statements (50%)			
Financial statements for limited companies for internal purposes and external purposes			
Preparation of financial statements for limited companies	●	●	
Differences between a sole trader and a limited company	●	●	●
Accounting records of a limited company	●	●	●
Capital structure of a limited company	●	●	●
Share premium account	●	●	●
Dividends	●	●	●
Reserves	●	●	●
Practical application of IAS's already listed above	●	●	●
Disclosure and filing requirements for limited companies			
Format and filing requirements	●	●	●
Wording and layout of a Statement of Comprehensive Income (Income Statement) and Statement of Financial Position (Balance Sheet)	●	●	●
Size criteria for companies	●	●	●
Disclosure Requirements	●	●	●
Split of turnover	●	●	●

<i>Specific Functional Knowledge and Competencies</i>	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
Details regarding staff numbers and remuneration	●	●	●
Movement in non-current assets	●	●	●
Details of taxes owing	●	●	●
Cash flow statements for limited companies and an understanding of the importance of cash to the business entity			
Preparation of cash flow statements in accordance with IAS 7	●	●	●
Importance of cash to a business entity	●	●	●
Preparation of reports on the interpretation of a cash flow statement	●	●	●
Preparation of financial statements for partnerships			
Preparation of financial statements of a partnership	●	●	
Preparation of, and distinction between, the capital and current accounts of individual partners	●	●	
The accounts of manufacturing businesses			
Classification of costs	●	●	
Work in progress	●	●	
Preparation of the manufacturing account	●	●	
Preparation of accounts from incomplete records			
Incomplete records	●	●	
Preparation of accounts from incomplete records	●	●	
Interpretation of Financial Statements (20%)			
Ratio analysis of accounting information			
Broad categories of ratios	●	●	●
Profitability and return on capital employed	●	●	●
Long term solvency and stability	●	●	●
Short term solvency and liquidity	●	●	●
Efficiency	●	●	●
Shareholders' investment ratios	●	●	●
Interpretation of Financial statements and explanation of ratios used			
Interpretation of Financial Statements	●	●	●
Explanation of information provided by ratios	●	●	●

<i>Specific Functional Knowledge and Competencies</i>	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
Limitations of ratio analysis	●	●	●
Preparation of reports for the users of accounting information as a tool in the decision making process			
Preparation of reports in a professional manner	●	●	●
Ratio analysis in the decision making process	●	●	●

<p>Assessment Criteria</p> <p>Assessment Techniques</p> <p>Format of Examination Paper</p> <p>Pilot Papers</p>	<p>100% Assessment based on the final examination.</p> <p>The Paper Consists of SIX Questions which will examine all key syllabus elements to ensure that learning outcomes are achieved</p> <p>SECTION A THREE Compulsory Questions</p> <p>SECTION B THREE Questions - Answer TWO (All questions in Section B carry equal marks)</p> <p>Each of the 3 pilot papers will examine appropriate parts of this syllabus.</p>
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Essential Reading	Advanced Financial Accounting (Second Year) Author: Accounting Technicians Ireland
Web Resources	www.AccountingTechniciansIreland.ie www.icaireland.ie www.thepost.ie www.ireland.com www.accaglobal.com www.cimaglobal.com www.cpaireland.ie
Other Resources	Business and Finance Accountancy Ireland, ICAI Accountancy and Business, ACCA Irish Times Business Section Sunday Business Post

Module 6a: Advanced Taxation

Mandatory Module

Republic of Ireland (ROI)

ADVANCED TAXATION (Republic of Ireland)

Subject Status	Mandatory
Terminal Exam	100%
Module Pass Mark	50%
Learning Modes	Direct Lectures, Seminars, Tutorials, Self-Directed Learning
Pre-requisite:	Financial Accounting, Taxation and either Business Management or Law & Ethics

Key Learning Outcome

The key objective of this module is to ensure that learners build on the competencies gained in Taxation and develop a knowledge and understanding of more advanced taxation issues for individuals, businesses and corporate entities.

Key Syllabus Elements and Weightings

- | | |
|----------------------------------|-----|
| 1. Administration and Procedures | 15% |
| 2. Personal Tax Management | 45% |
| 3. Business Tax Management | 40% |

Learning Outcomes linked to Syllabus Elements

Administration and Procedures

On completion of this aspect of the module, learners will have acquired the following knowledge, competencies and know-how: -

- (a) An understanding of the role of legislation and practice, Revenue Authorities, the Accounting Technician and the tax payer in the operational structure of the tax system including ethical and tax compliance issues
- (b) An ability to communicate effectively with individuals and Revenue authorities regarding compliance issues and the issue of tax clearance certificates
- (c) An appreciation of the Revenue Charter, Revenue powers and audit procedures
- (d) An ability to complete appropriate Revenue forms and demonstrate knowledge of the Revenue On-line System

Personal Tax Management

On completion of this aspect of the module, learners will have acquired the following knowledge, competencies and know-how: -

- (a) An ability to understand, explain and demonstrate the impact of residence, ordinary residence and domicile on the tax affairs of individuals
- (b) An ability to quantify the tax liability of individuals to include computations at an advanced level
- (c) An understanding of the principles and scope of the charge to Capital Gains Tax for Irish resident individuals including a knowledge of and understanding of appropriate reliefs and exemptions
- (d) An understanding of the principles and scope of the charge to PRSI and Universal Social Charge under Class A and Class S

Business Tax Management

On completion of this aspect of the module, learners will have acquired the following knowledge, competencies and know-how: -

- (a) An ability to communicate effectively with individuals and Revenue in a professional manner regarding the tax and ethical implications of business transactions
- (b) An appreciation of the implications of employment v self employment and an ability to make a determination using the 'Badges of Trade'
- (c) An ability to reconcile information contained in financial statements with tax returns submitted and report on the consequences to include calculation of the tax liabilities involved
- (d) An understanding of the principles and scope of the charge to Corporation Tax and an ability to compute tax liabilities of Irish resident companies
- (e) An understanding of Relevant Contracts Tax and an appreciation of the VAT issues involved with intra EU transactions, imports and exports

ADVANCED TAXATION Republic of Ireland (ROI)			
<i>Specific Functional Knowledge and Competencies</i>	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
Administration and Procedures (15%)			
A practical understanding of the role of legislation and practice			
Overview of tax legislation and procedures	•		
Methods and treatment of tax collection mechanisms, direct assessment, self-assessment, and withholding taxes	•	•	
Communicating with Revenues Authorities regarding issues resulting from business transactions including compliance issues			
Procedures for the raising of assessments and collection of taxes	•	•	
Appeal procedures and expression of doubt	•	•	
Imposition of penalties for the late payment of tax and late filing of return (excluding criminal procedures)	•	•	
Payment of tax and preliminary tax payments	•	•	
Communication with relevant parties in writing in a professional manner	•	•	
Issues and implications of business transactions for individuals and corporate entities			
Requirements regarding notification to Revenue	•	•	
Requirements in respect of maintenance of books and records	•	•	
Taxation consequences arising from business transactions	•	•	•
Revenue Charter, Revenue powers and audit procedures			
Revenue Charter, Revenue powers and Revenue audit at a basic level	•		
Provision of information to Revenue Authorities			
Information requirements of the Revenue and resulting obligations	•	•	

<i>Specific Functional Knowledge and Competencies</i>	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
Role of the Accounting Technician including ethical responsibilities			
Relevant professional ethical issues	●	●	
Tax clearance certificates			
Administration procedures and use of clearance certificates	●	●	
Requirements necessary for the issue of a certificate	●	●	
Completion of appropriate Revenue forms			
Completion of main tax forms; Form 11 and 11e, CT1, VAT 3, Return of Trading Details (VAT) and the use of the Revenue Online Service (ROS) for the submission of returns and the payment of tax	●	●	
Personal Tax Management (45%)			
Residence, ordinary residence and domicile			
Definition of residence, ordinary residence and domicile.	●		
Personal tax computations at an advanced level including the impact of claiming loss relief			
Calculation of income, the amount chargeable and the tax payable including marginal relief calculations	●	●	
Charges on income	●	●	
Reliefs, allowances, deductions, tax credits and exemptions	●	●	●
Trade losses and claiming loss relief	●	●	
Rental income and losses (Schedule D Case V) including premiums on leases and favoured lettings	●	●	
Employment income and benefit in kind (Schedule E) including provision of motor vehicles, medical insurance, preferential loans and living accommodation	●	●	

<i>Specific Functional Knowledge and Competencies</i>	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
Special treatment for company directors	●	●	
Social Welfare benefits and pensions including unemployment and disability benefits	●	●	
Taxation of married, separated and divorced couples			
Taxation of married, separated and divorced couples including year of marriage and separation	●	●	
Year of death in respect of deceased individuals and their spouses	●	●	
PRSI for classes A and S			
Principles and scope of the charge to PRSI and USC (Class A and Class S)	●	●	
Scope and charge to Capital Gains Tax including the computation of liability resulting from capital transactions			
Principles and scope of the charge to Capital Gains Tax	●	●	
The charge to tax on Irish resident individuals and companies on gains arising in the State	●	●	
The computation of gains and losses, the amount chargeable and the tax payable	●	●	●
Reliefs, allowances, deductions and exemptions	●	●	
Residence, ordinary residence and domicile	●		
Time of disposal and location of assets	●	●	
Capital gains and losses made by married couples	●	●	
Assets passing on a death	●	●	
Treatment of assets held at 6 April 1974	●		
Part disposals	●	●	
Grants received after 5 April 1974	●	●	
Application of market value rules to connected person disposals	●	●	
Disposals of shares	●	●	
Chattels and wasting chattels	●	●	
Enhancement expenditure	●	●	

Personal exemption	•	•	
Capital losses	•	•	
Indexation relief	•	•	
Principal private residence relief	•	•	
Business Tax Management (40%)			
Communications and ethics			
Communicating with clients / Revenue in a professional manner regarding taxation implications of business transactions	•	•	
Dealing with relevant ethical issues	•	•	•
Determination of employment or self employment including 'Badges of Trade'			
Definition of the 'Badges of Trade'	•	•	
Use of the 'Badges of Trade' in the determination of employment or self employment.	•	•	
Contracts of employment and contract for services	•	•	
Taxation of business profits including the calculation of adjusted profits and the basis periods of assessment			
Income and losses from trades and professions (Schedule D Case I & II) including pre trading expenditure and lease transaction costs (tax adjusted profits)	•	•	•
Commencement and cessation rules for Schedule D Case I and Case II	•	•	
Capital allowances for plant and machinery (including motor vehicles), balancing allowances and charges for assets purchased on or after December 2002	•	•	
Charges on income	•	•	
PRSI classes A and S	•	•	
Professional services withholding tax	•	•	

<i>Specific Functional Knowledge and Competencies</i>	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
Relevant Contracts Tax			
Obligations of a principal contractor with regard to payments to sub contractors	●	●	
Administrative procedures, completion of forms and payment of relevant taxes	●	●	
Conditions necessary for the issue of a sub contractors certificate	●	●	
VAT issues regarding supply of goods and services, intra EU transactions, imports and exports			
Principles of the operation of Value Added Tax	●	●	
Place and time of supply of goods and services	●	●	
Taxable persons and registration	●	●	
Election to register	●	●	
Intra EU transactions, imports and exports	●	●	
Exemption and VAT rates	●	●	
Accounting for VAT, sales and cash receipts basis	●	●	●
Calculation of VAT liability including input credits and output VAT	●	●	
2/3 rule, cocktail rule, gifts and self supply	●	●	
Reconciliation of VAT returns to financial statements	●	●	
Reconciliation of VAT /PAYE returns and financial statements			
Extraction and reconciliation of relevant information from financial statements	●	●	
Quantification of tax liabilities arising from discrepancies highlighted	●	●	
Principles and scope of the charge to Corporation Tax for Irish resident companies including close company provisions			
Principles and scope of the charge to Corporation Tax for Irish resident companies	●	●	
Accounting periods	●		

<i>Specific Functional Knowledge and Competencies</i>	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
Dividend income received (FII)		●	
Dividends and distributions paid		●	
Definition and effect of close company provisions	●		
Taxation treatment of directors loans and current account balances	●	●	
An understanding of the basic residency rules for companies			
Implications of a company being resident or non resident	●		
Preparation of corporation tax computations for private limited companies			
The computation of income and chargeable gains, the amount chargeable and the tax payable	●	●	
Reliefs, deductions and exemptions	●	●	
Schedule D income and losses (with same exclusions as for Income Tax)	●	●	●
Capital allowances for plant and machinery (including motor vehicles) including balancing allowances and charges for assets purchased on and after 4th December 2002	●	●	
Dividend withholding tax	●	●	

Essential Reading	Advanced Taxation (Republic of Ireland) (Second Year) Author: Accounting Technicians Ireland
Supplementary Reading	Martyn, J. and Reck, P. <i>Taxation Summary</i> , Irish Taxation Institute (Edition based on Finance Act 2011)
Web Resources	www.AccountingTechniciansIreland.ie www.taxireland.ie www.revenue.ie www.thepost.ie www.ireland.com www.icaireland.ie www.cpaireland.ie
Other Resources	Business and Finance Accountancy Ireland, ICA Ireland Irish Times Business Section Sunday Business Post Irish Tax Review Revenue E Brief

Module 6b: Advanced Taxation

Mandatory Module

Northern Ireland (NI)

ADVANCED TAXATION Northern Ireland (NI)

Subject Status	Mandatory
Terminal Exam	100%
Module Pass Mark	50%
Learning Modes	Direct Lectures, Seminars, Tutorials, Self-Directed Learning
Pre-requisite:	Financial Accounting, Taxation and either Business Management or Law & Ethics

Key Learning Outcome

The key objective of this module is to ensure that learners build on the competencies gained in Taxation and develop a knowledge and understanding of more advanced taxation issues for individuals, businesses and corporate entities.

Key Syllabus Elements and Weightings

- | | |
|----------------------------------|-----|
| 1. Administration and Procedures | 15% |
| 2. Personal Tax Management | 45% |
| 3. Business Tax Management | 40% |

Learning Outcomes linked to Syllabus Elements

Administration and Procedures

On completion of this aspect of the module, learners will have acquired the following knowledge, competencies and know-how: -

- (a) An understanding of the role of legislation and practice, HM Revenue & Customs, the Accounting Technician and the tax payer in the operational structure of the tax system including ethical and tax compliance issues
- (b) An ability to communicate effectively with individuals and HM Revenue & Customs regarding compliance issues and the issue of tax clearance certificates
- (c) An appreciation of HM Revenue & Customs powers and audit procedures
- (d) An ability to complete appropriate Revenue forms and demonstrate knowledge of HM Revenue & Customs On-line System for filing returns

Personal Tax Management

On completion of this aspect of the module, learners will have acquired the following knowledge, competencies and know-how: -

- (a) An ability to understand, explain and demonstrate the impact of residence, ordinary residence and domicile on the tax affairs of individuals
- (b) An ability to quantify the tax liability of individuals to include computations at an advanced level
- (c) An understanding of the principles and scope of the charge to Capital Gains Tax for UK resident individuals including a knowledge of and understanding of appropriate reliefs and exemptions
- (d) An ability to demonstrate an understanding of the principles and scope of the charge to National Insurance Contributions under Class 1, Class 2 and Class 4

Business Tax Management

On completion of this aspect of the module, learners will have acquired the following knowledge, competencies and know-how: -

- (a) An ability to communicate effectively with individuals and HM Revenue & Customs in a professional manner regarding the tax and ethical implications of business transactions
- (b) An appreciation of the implications of employment v self employment and an ability to make a determination using the 'Badges of Trade'
- (c) An ability to reconcile information contained in financial statements with tax returns submitted and report on the consequences to include calculation of the tax liabilities involved
- (d) An understanding of the principles and scope of the charge to Corporation Tax and an ability to compute tax liabilities of UK resident companies
- (e) An understanding of UK VAT and an appreciation of the VAT issues involved with intra EU transactions, imports and exports

ADVANCED TAXATION Northern Ireland (NI)			
<i>Specific Functional Knowledge and Competencies</i>	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
Administration and Procedures	(15%)		
A practical understanding of the role of legislation and practice			
Overview of tax legislation and procedures	●		
Methods and treatment of tax collection mechanisms, direct assessment, self-assessment, and withholding taxes	●	●	
Communicating with HM Revenue & Customs regarding issues resulting from business transactions including compliance issues			
Procedures for the raising of assessments and collection of taxes	●	●	
Appeal procedures and the role of the Commissioners	●	●	
Imposition of penalties for the late payment of tax and late filing of return (excluding criminal procedures)	●	●	
Payment of tax and payments on account	●	●	
Communication with relevant parties in writing in a professional manner	●	●	
Issues and implications of business transactions for individuals and corporate entities			
Requirements regarding notification to HM Revenue & Customs	●	●	
Requirements in respect of maintenance of books and records	●	●	
Taxation consequences arising from business transactions	●	●	●
HM Revenue & Customs powers and audit procedures			

<i>Specific Functional Knowledge and Competencies</i>	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
HM Revenue & Customs powers and audit at a basic level	•		
Provision of information to HM Revenue & Customs			
Information requirements of HM Revenue & Customs and resulting obligations	•	•	
Role of the Accounting Technician including ethical responsibilities			
Relevant professional ethical issues	•	•	
New Construction Industry Scheme			
Administration procedures and how this affects both subcontractors and contractors	•	•	
Requirements necessary for the issue of certificates	•	•	
Completion of appropriate HM Revenue & Customs forms			
Completion of main tax forms; Form SA 100 (including supplementary returns SA101, SA103, SA105 & SA108) and CT600, CT600(short), CT600A, VAT 100, Return of Trading Details (64/8) and the use of the HM Revenue & Customs Online Service for the submission of returns and the payment of tax	•	•	

Personal Tax Management (45%)

Residence, ordinary residence and domicile			
Definition and relevance of residence, ordinary residence and domicile.	•		
Personal tax computations at an advanced level including the impact of claiming loss relief			
Calculation of income and losses, the amount chargeable and the tax payable	•	•	
Charges on income	•	•	
Reliefs, allowances, deductions, tax credits and exemptions	•	•	

<i>Specific Functional Knowledge and Competencies</i>	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
Trade losses and claiming loss relief	●	●	●
Rental income and losses including premiums on leases and furnished lettings	●	●	
Employment income and benefit in kind including provision of motor vehicles, medical insurance, preferential loans and living accommodation	●	●	
Special treatment for company directors	●	●	
Social Security benefits and pensions including low income and disability benefits, tax credits and child tax credits	●	●	
Taxation of the elderly including married couples			
Taxation of elderly individuals and married couples	●	●	
National Insurance contributions Class1, Class2 and Class 4			
Principles and scope of the charge to National Insurance Contributions for both employed and self employed persons	●	●	
Scope and charge to Capital Gains Tax including the computation of liability resulting from capital transactions			
Principles and scope of the charge to Capital Gains Tax	●	●	
The charge to tax on UK resident individuals and companies on their worldwide gains	●	●	
The computation of gains and losses, the amount chargeable and the tax payable	●	●	
Reliefs, allowances, deductions and exemptions	●	●	
Residence, ordinary residence and domicile	●		
Time of disposal and location of assets	●	●	
Transfer of assets between married couples	●	●	
Assets passing on a death or by way of gift	●	●	
Treatment of assets held at 31 March 1982	●	●	

<i>Specific Functional Knowledge and Competencies</i>	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
Part disposals and sets of assets	•	•	
Enhancement expenditure	•	•	
Application of market value rules to connected person disposals	•	•	
Disposals of shares	•	•	
Chattels and wasting chattels	•	•	
Personal exemption	•	•	
Relief on disposal of a business – Entrepreneurs' Relief	•	•	•
Capital losses	•	•	
Indexation relief on gains made by UK companies	•	•	
Principal private residence relief	•	•	
Business Tax Management (40%)			
Communications and ethics			
Communicating with clients and HM Revenue & Customs in a professional manner regarding taxation implications of business transactions	•	•	
Dealing with relevant ethical issues	•	•	
Determination of employment or self employment including 'Badges of Trade'			
An understanding of the 'Badges of Trade'	•	•	
Use of the 'Badges of Trade' in the determination of employment or self employment.	•	•	•
Contracts of employment and contract for services	•	•	
Taxation of business profits including the calculation of adjusted profits and the basis periods of assessment			

<i>Specific Functional Knowledge and Competencies</i>	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
Income and losses from trades and professions (Schedule D Case I & II) including pre trading expenditure (tax adjusted profits)	•	•	
Commencement and cessation rules for Schedule D Case I and Case II	•	•	•
Capital allowances for plant and machinery (including motor vehicles), First year allowances (FYA), Writing down allowances (WDA) and Annual investment allowance (AIA), balancing allowances and charges for assets purchased or sold	•	•	
Charges on income	•	•	
National Insurance Contributions Class 1A and Classes 2 and 4	•	•	
The New Construction Industry Scheme			
Obligations of a principal contractor with regard to payments to sub contractors	•	•	
Administrative procedures, registration, completion of forms and payment of relevant taxes	•	•	
Conditions necessary for the issue of a subcontractors certificate	•	•	
VAT issues regarding supply of goods and services, intra EU transactions, imports and exports for UK businesses			
Principles of the operation of Value Added Tax	•	•	
Place and time of supply of goods and services	•	•	
Taxable persons and registration	•	•	
Election to register	•	•	•
Intra EU transactions, imports and exports	•	•	
Exemption and VAT rates	•	•	
Accounting for VAT, normal invoice basis and cash receipts basis	•	•	•
Calculation of VAT liability including input credits and output VAT	•	•	

<i>Specific Functional Knowledge and Competencies</i>	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
Self supply on goods for own use	•	•	
Reconciliation of VAT returns to financial statements	•	•	•
Reconciliation of VAT /PAYE returns and financial statements			
Extraction and reconciliation of relevant information from financial statements	•	•	•
Quantification of tax liabilities arising from discrepancies highlighted	•	•	•
Principles and scope of the charge to Corporation Tax for UK resident companies including close company provisions			
Principles and scope of the charge to Corporation Tax for UK resident companies	•	•	
Accounting periods	•		
Dividend income received (FII)		•	
Dividends and distributions paid		•	
Definition and effect of close company provisions	•		
Taxation treatment of directors loans and overdrawn current account balances	•	•	
An understanding of the basic residency rules for companies			
Implications of a company being resident or non resident	•		
Preparation of corporation tax computations for private limited companies			
The computation of income and chargeable gains, the amount chargeable and the tax payable	•	•	
Reliefs, deductions and exemptions	•	•	
Schedule D income and losses (with same exclusions as for Income Tax)	•	•	•
Capital allowances for plant and machinery (including motor vehicles) including balancing allowances and charges for assets purchased or sold	•	•	

Essential Reading	Advanced Taxation (Northern Ireland) (Second Year) Author: Accounting Technicians Ireland
Supplementary Reading	Tolley's Taxwise 1 & Tolley's Taxwise 2 by Rita Burrows, Arnold Homer, John Clube & Keith Gordon Tolley's VATwise by Nick Lawrence, Arnold Homer, & Rita Burrows Tolley's Tax Guide by Arnold Homer, & Rita Burrows
Web Resources	www.AccountingTechniciansIreland.ie www.tax.org.uk www.icai.ie www.att.org.uk www.hmrc.gov.uk
Other Resources	Business and Finance Accountancy Ireland, ICA Ireland Accounting and Business, ACCA Student Newsletter, ACCA Times Business Section (Saturdays) Revenue Leaflets and booklets

Module 7:
INTEGRATED ACCOUNTING SYSTEMS (IAS)
Mandatory Module

Integrated Accounting Systems (IAS)

Subject Status	Mandatory
Terminal Exam	100%
Module Pass Mark	70%
Learning Modes	Direct Lectures, Seminars, Tutorials, Self-Directed Learning
Pre-requisite:	Successful completion of Financial Accounting, Taxation and either Business Management or Law & Ethics

Key Objective

The key objective of this module is to provide learners with practical experience of effectively using standard software packages used in the business world, particularly those commonly used by accountants. Learners will be enabled to reach a level of proficiency in the use of these packages that will render them effective in the workplace.

Key Syllabus Elements and Weightings

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|---|-----|
| 1. Operation and Maintenance of a Computerised Payroll System | 20% |
| 2. Integrated Accounting Systems and Double Entry | 60% |
| 3. Spreadsheets and Budgeting | 20% |

Learning Outcomes linked to Syllabus Elements

Operation and Maintenance of a Computerised Payroll System

On completion of this aspect of the module, learners will have acquired the following knowledge, competencies and know-how: -

- (a) Demonstrate the ability to set up standing data on a computerized payroll system
- (b) Understand, analyse and input information received from Revenue and various other third parties
- (c) Demonstrate the skills and know-how to accurately calculate take home pay, PAYE/PRSI on an emergency, Week 1 and cumulative basis

Integrated Accounting Systems and Double Entry

On completion of this aspect of the module, learners will have acquired the following knowledge, competencies and know-how: -

- (a) The ability to use an integrated accounting system
- (b) The ability to demonstrate an understanding of double entry bookkeeping and the competence to apply this understanding using an integrated accounts package
- (c) The ability to generate accurate and relevant reports in a timely manner
- (d) On going understanding, operation and diagnosis of an integrated accounts package

Spreadsheets and Budgeting

On completion of this aspect of the module, learners will have acquired the following knowledge, competencies and know-how: -

- (a) Utilise diagnostic and creative skills by exporting relevant reports and other data from an integrated accounts package to a spreadsheet
- (b) Demonstrate the ability to calculate, interpret and analyse appropriate variances
- (c) The ability to prepare budgets and demonstrate an understanding of budget planning and control
- (d) The ability to critically analyse the information and generate meaningful reports

MODULE 7 INTEGRATED ACCOUNTING SYSTEMS (IAS)

Specific Functional Knowledge and Competencies	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
Operation and Maintenance of a Computerised Payroll Software (20%)			
Set up company details and employee details	●	●	
Set up company parameters, e.g. additions and deductions	●	●	
Entering new employee details and dealing with a leaver in a company i.e. issue of P45	●	●	
Entering tax details of employees received from Revenue	●	●	
Calculation of PAYE, PRSI and take home pay	●	●	●
Operation of emergency, Week 1/Month 1 and cumulative bases	●	●	●
Integrated Accounting Systems and Double Entry (60%)			
Operation of an integrated accounting system – understanding of general ledger	●	●	●
System set up parameters	●	●	●
Double entry bookkeeping – accruals, prepayments, depreciation, adjustments	●	●	●
Leasing – use of correct nominal codes and journals	●	●	●
Periodic recurring journals	●	●	●
Posting salary journals from payroll reports	●	●	●
Correction of entries already made	●	●	●
Entering bank payments and receipts	●	●	●
Bank reconciliations	●	●	●
Exporting reports in CSV (comma separated values) format to Excel and other packages	●	●	
Inputting budget figures	●	●	
Excel and Budgeting (20%)			
Entering information into a spreadsheet	●	●	●
Managing workbooks	●	●	●
Excel calculations, the use of formulae and logical functions	●	●	

Ability to use header/footer, page setup and margins	●	●	
Charts and graphs – creating/editing to produce a replica image	●	●	
Importing from other software e.g. CSV files and saving in Excel format	●	●	
Protecting workbooks, worksheets using passwords	●	●	
Consolidating data, pivot tables and use of macros	●	●	
conditional formatting and data sorting/filtering	●	●	

Essential Reading	Integrated Accounting Systems (Second Year) Author: Accounting Technicians Ireland
Web Resources	www.sage.ie www.tas.ie www.wordpress.iati.com
Other Resources	www.AccountingTechniciansIreland.ie

Module 8: Management Accounting

Mandatory Module

Management Accounting

Subject Status	Mandatory
Terminal Exam	100%
Module Pass Mark	50%
Learning Modes	Direct Lectures, Seminars, Tutorials, Self Directed Learning
Pre-requisite:	Financial Accounting, Taxation and either Law & Ethics or Business Management

Key Learning Outcome

The key learning outcome of this module is to provide learners with knowledge and technical competency in the area of management accounting to support business functions, activities and decision-making.

Key Syllabus Elements and Weightings

1.	Nature and Purpose of Management Accounting	10%
2.	Management Accounting Systems	30%
3.	Standard Costing, Budgetary Planning & Control	30%
4.	Marginal Costing & Decision Making	30%

Learning Outcomes linked to Syllabus Elements

Nature and Purpose of Management Accounting

On completion of this aspect of the module, learners will have acquired the following knowledge, competencies and know-how: -

- (a) A knowledge of the role of management accounting in a business organization
- (b) An appreciation of business and stakeholder objectives and goals
- (c) An ability to contribute to business planning and control exercises through the use of management accounting
- (d) An understanding of principles and techniques used in management accounting

Management Accounting Systems

On completion of this aspect of the courses, participants will have acquired the following knowledge, competencies and know-how: -

- (a) The ability to utilise a variety of costing techniques in a range of practical business situations;
- (b) An understanding of costing system terminology and the ability to calculate and discuss various elements of a costing system;
- (c) The ability to generate appropriate product and service costs using traditional and modern approaches, notably activity based and absorption costing;
- (d) To be able to calculate appropriate costs for an integrated cost accounting system, including materials, labour and particularly overheads (utilising overhead apportionment and adsorption techniques).

Standard Costing, Budgetary Planning & Control

On completion of this aspect of the module, learners will have acquired the following knowledge, competencies and know-how: -

- (a) An understanding of the standard setting process and the ability to calculate, interpret and analyse appropriate variances.
 - (b) An understanding of and an ability to critically analyse on budget administration procedures and the behavioural aspects of the budgetary process.
 - (c) The ability to demonstrate an understanding of the processes and principles of budgetary planning and control and to be able to prepare budgets.
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Marginal Costing & Decision Making

On completion of this aspect of the module, learners will have acquired the following knowledge, competencies and know-how: -

- (a) The ability to recognise, understand, explain and use marginal and relevant costing techniques in decision making and performance evaluation
 - (b) Utilisation of diagnostic and creative skills to support decision making in practical integrated business situations, including the use of contribution and breakeven analysis
 - (c) An ability to communicate effectively through the preparation of relevant management accounting statements using relevant media
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MODULE 8 MANAGEMENT ACCOUNTING			
<i>Specific Functional Knowledge and Competencies</i>	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
Nature and Purpose of Management Accounting (10%)			
Role of Management Accounting			
The role of management accounting in support of business decision making	●		
Comparison and inter-relationship with financial accounting	●	●	
Business and stakeholder objectives and goals			
Definition of terms – including planning, objectives, strategy, control	●		
Describe different objectives for different organisations	●		
Business Planning and Control			
The process and role of planning	●	●	
Levels at which planning occurs	●	●	
Management by objectives	●	●	
Group and individual decision making processes.	●	●	
Organisational control and performance measurement	●		
Management Accounting Systems (30%)			
Costing Systems Terminology			
Concepts of cost accumulation	●	●	●
Cost centres and drivers	●	●	●
Cost classification and coding systems	●	●	●
Benefits and problems of traditional and modern costing systems	●	●	
Types of costing systems	●	●	
Theory of process costing including equivalent units, normal and abnormal gains and losses, by products and joint products	●	●	
Costing of materials			
Stores routines	●	●	●
Materials handling	●	●	

<i>Specific Functional Knowledge and Competencies</i>	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
Pricing of store issues	●	●	
Purchasing procedures	●	●	
Inventory control ratios	●	●	
Stockholding calculations	●	●	
Labour costing			
Understanding and calculation of labour remuneration systems	●	●	
Remuneration and incentive schemes	●	●	
Overhead Costing			
Cost centre and cost units	●	●	●
Overhead apportionment and absorption calculations	●	●	●
Service Department Costing	●	●	●
Under and Over absorption of overheads	●	●	
Administrative, selling and distribution overheads	●	●	
Activity Based Costing			
Key principles and terminology of Activity Based Costing (ABC)	●	●	
Classification of costs using ABC	●	●	●
Transaction based cost drivers	●	●	
Overhead absorption calculations using ABC	●	●	
Advantages and disadvantages of ABC	●	●	
Job, Batch and Service costing calculations	●	●	●
Application of equivalent units concept	●	●	
Standard Costing, Budgetary Planning and Control (30%)			
Standard Costing - Theoretical aspects			
Concept of Standard Costing - including definition, types of standards, standard setting, relationship with budgets	●	●	
Advantages and disadvantages of standard costing	●	●	
Standard Costing – Practical Application			
Standard cost per unit calculations using absorption and marginal costing	●	●	●
Calculation of variances, including			
- Materials price and usage	●	●	●

<i>Specific Functional Knowledge and Competencies</i>	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
- Labour rate and efficiency	●	●	●
- Variable overhead expenditure and efficiency	●	●	●
- Fixed overhead expenditure and volume	●	●	
- Sales volume and price	●	●	
Preparation and explanation of variance analysis reports	●	●	●
Budgetary Planning & Control Processes – Theoretical aspects			
Theory of budgetary planning and control	●	●	
Budgetary factors	●	●	
Budgetary processes	●		
Budgetary techniques, benefits and problems	●	●	
Behavioural and motivational aspects of budgeting	●	●	
Budgetary Planning & Control – Practical Application			
Preparation of operational budgets, including	●	●	●
- sales	●	●	●
- production	●	●	●
- materials	●	●	●
- labour	●	●	●
- overhead	●	●	●
Preparation of projected Income Statements and Statements of Financial Position	●	●	
Cash Budgeting and flexible budgeting	●	●	
Marginal Costing & Decision Making (30%)			
Marginal Costing Techniques			
Cost behaviour - including fixed, variable, semi-variable, stepped costs and inflation.	●	●	●
Comparison of marginal and absorption costing	●	●	●
Contribution and marginal costing calculations and costing statements.	●	●	●

<i>Specific Functional Knowledge and Competencies</i>	<i>Understanding</i>	<i>Application</i>	<i>Analysis</i>
Marginal costing in management decision making	●	●	●
Management accounting for Decision Making			
Cost-Volume Profit and Breakeven Analysis, including	●	●	
- margin of safety	●	●	
- target profit	●	●	
- contribution/sales ratio	●	●	
Breakeven charts and formulae	●	●	
Application of cost-volume-profit analysis to multi-product scenarios	●	●	
Relevant Costing in decision making			
Preparation of cost estimates for decision making including relevant, opportunity and sunk costs	●	●	
Short term decision making calculations , including			
- product elimination	●	●	
- consideration of limiting factors	●	●	
- make or buy	●	●	
Pricing decisions, including			
- mark-up	●	●	
- margin	●	●	
- full price	●	●	
Preparation of management accounting statements appropriate to typical decision making situations	●	●	●

<p>Assessment Criteria</p> <p>Assessment Techniques</p> <p>Format of Examination Paper</p> <p>Pilot Paper</p>	<p>100% Assessment based on the final exam.</p> <p>The Paper Consists of SIX Questions which will examine all key syllabus elements to ensure that learning outcomes are achieved</p> <p>SECTION A THREE Compulsory Questions</p> <p>SECTION B THREE Questions - Answer TWO</p> <p><i>All Questions carry equal marks</i></p> <p>Each of the 3 pilot papers will examine appropriate parts of this syllabus.</p>
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Essential Reading	Management Accounting (Second Year) Author: Accounting Technicians Ireland
Web Resources	www.scoilnet.ie www.drury-online.com www.accountancymag.co.uk
Other Resources	Cost and Management Journal