



The Institute of  
Chartered Accountants  
of Pakistan

**CA**  
PAKISTAN

# EDUCATION AND TRAINING SCHEME 2021

*Directive 1.01 (Revised 2024)*

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## EDUCATION AND TRAINING SCHEME 2021

In exercise of the powers conferred by section 15 of the Chartered Accountants Ordinance, 1961 (CA Ordinance) read with bye-laws 113 and 129A of Chartered Accountants Bye-Laws, 1983 (CA Bye-Laws), to prescribe the courses, syllabus and stages of education to qualify for membership of the Institute, the Council approves the following scheme:-

### 1. SHORT TITLE AND COMMENCEMENT

- (1) This scheme shall be known as Education and Training Scheme 2021 (the Scheme 2021).
- (2) The Scheme 2021 shall become effective from 01 March 2022 subject to the transitional arrangements specified in this Directive.
- \*(3) The following paragraphs of this Directive shall be effective after gazette notification of the corresponding amendments in CA Bye-Laws:

Paragraph

2(1)(xiii)

2(1)(xiv)

3(1)(ii)

3(1)(iii)

3(2)(iii)

8(1)(ii)

9(1)(i)

9(2)(i)

### 2. DEFINITIONS

- (1) In the Scheme 2021, unless there is anything repugnant in the subject context:
  - (i) **Assessee** means a person enrolled to any test, assessment and examination required by the Institute before admission to the CFAP examination;
  - (ii) **AFC** means Assessment of Fundamental Competencies;
  - (ii) **CAF** means Certificate in Accounting and Finance;
  - (iii) **Chairman** means the Chairman of ETCOM;
  - (iv) **CFAP** means Certified Finance and Accounting Professional;
  - (v) **Directive** means directive issued by the Council or its standing committees under bye-law 129A;
  - (vi) **ETCOM** means the Education and Training Committee;
  - (vii) **Examinee** means a person admitted to the examinations of the Institute;
  - (viii) **Full-time student** means a person registered for appearing in examination of the Institute under the Ordinance or the Bye-Laws made thereunder, and who has not yet started the training prescribed under the bye-laws;
  - (ix) **Institute** means The Institute of Chartered Accountants of Pakistan;
  - (x) **Member** means a member of the Institute;
  - (xi) **MSA** means Multi-Subject Assessment;
  - (xii) **Permitted book** means the books an examinee may carry while attempting the examinations;
  - (xiii) **PRC** means Pre-Requisite Competencies specified under Directive 1.20 Qualifying Assessment Test and Pre-requisite Competencies;

\*The gazette notification of the corresponding amendments in CA Bye-Laws, dated June 1, 2022, was effective from May 24, 2022.

- (xiv) **QAT** means Qualifying Assessment Test specified under Directive 1.20 Qualifying Assessment Test and Pre-requisite Competencies;
  - (xv) **Relevant Degree Awarding Institute (RDAI)** means a degree-awarding university or institute accredited by the Higher Education Commission of Pakistan, which fulfills the criteria specified by the Council;
  - (xvi) **Specified Degree Awarding Institute (SDAI)** means a degree-awarding university or institute accredited by the Higher Education Commission of Pakistan, which fulfills the criteria specified by the Council;
  - (xvii) **Trainee student** means a person who has entered into a contract of training with a member of the Institute, prescribed under the bye-laws, and has been registered as such by the Institute; and
  - (xviii) **Website** means the website of the Institute [www.icap.org.pk](http://www.icap.org.pk).
- (2) Unless the context otherwise requires, all other terms and expressions used but not defined in this Directive shall have the same meaning as assigned to them in the Ordinance and Bye-Laws; and words importing the singular shall include the plural and vice versa.

### 3. REGISTRATION

#### (1) Registration as a full-time student

Any of the following persons, upon application, shall be registered as full-time students:

- (i) Graduates with 16 years of education from a local or foreign university recognized by the competent authority of higher education in Pakistan.
- (ii) Graduates with 14 years of education with 45% aggregate marks or equivalent grades; and who have passed Pre-requisite Competencies (PRC) under Directive 1.20 or obtained exemption from PRC under Directive 1.21.
- (iii) Persons who have completed eligibility requirements for registration by completing or obtaining exemption from Qualifying Assessment Test (QAT) and completing PRC under Directive 1.20 or obtaining exemption from PRC under Directive 1.21.
- (iv) Persons who have passed examinations of such professional accountancy bodies, as approved by the Council for the purpose, and specified in Directive 1.21.
- (v) Persons who have completed eligibility requirements for registration by completing AFC under Directive 1.22 or obtaining exemption from AFC.

#### (2) Registration as a trainee student

Any of the following persons who have attained 16 years of age and offered a training contract by a Training Organization (TO), upon application, shall be registered as trainee students:

- (i) Completed CAF stage or obtained exemption from CAF stage or equivalent examinations of the Institute; and have completed or exempted from applicable Hands-on Courses.
- (ii) Graduated from bachelor program with 16 years of education from a local or foreign university recognized by the competent authority of higher education in Pakistan.
- (iii) Graduated from bachelor program with a minimum of 14 years of education with 45% aggregate marks or equivalent grades from a local or foreign university recognized by the competent authority of higher education in Pakistan; and who have passed PRC under Directive 1.20 or obtained exemption from PRC under Directive 1.21.
- (iv) Graduated from bachelor program with a minimum of 14 years of education with 45% aggregate marks or equivalent grades from a local or foreign university recognized by the competent authority of higher education in Pakistan; and who have passed AFC under directive 1.22 or obtained exemption from AFC.

**(3) Provisional registration**

A person may be provisionally registered in the following circumstances:

- (i) As a trainee student, where certificate or degree of the previous qualification, on which registration is based, is awaited in the normal course; or
- (ii) As an examinee, where 16-year degree program is being undertaken from a recognized degree awarding institute. Provided that in case of failing to complete 16-year degree program, such persons shall be required to apply for registration under 3(1)(iii);
- (iii) any other circumstances deemed appropriate by the Council for any category.

**4. CURRICULUM AND SYLLABUS**

- (1)** Any person seeking membership of the Institute under sub-section (1)(ii) of section 4 of the CA Ordinance shall be required to pass all the subjects of each stage of the Scheme 2021 forming part of the curriculum or obtain exemption therefrom.

**(2) Curriculum**

The examinations of the Institute shall consist of the following stages and subjects:

**(i) Certificate in Accounting and Finance (CAF)****Group A**

CAF-1 Financial Accounting and Reporting-I

CAF-2 Tax Practices

CAF-3 Cost and Management Accounting

CAF-4 Business Law

**Group B**

CAF-5 Financial Accounting and Reporting-II

CAF-6 Managerial and Financial Analysis

CAF-7 Company Law

CAF-8 Audit and Assurance

**\*Gateway Examinations**

GWE 1 Financial Accounting and Reporting (60%) Cost and Management Accounting (40%)

GWE 2 Audit and Assurance (50%) Tax Practices (50%)

**(ii) Certified Finance and Accounting Professional (CFAP)**

CFAP-1 Advanced Accounting and Financial Reporting

CFAP-2 Advanced Corporate Laws and Practices

CFAP-3 Strategy and Performance Measurement

CFAP-4 Business Finance Decisions

CFAP-5 Tax Planning and Practices

CFAP-6 Audit, Assurance and Related Services

**(iii) Multi-Subject Assessment (MSA)**

MSA-1 Financial Reporting and Assurance Professional Competence

MSA-2 Management Professional Competence

- (3)** The curriculum shall be implemented in accordance with the transition policy specified in this Directive read with Directive 1.20.

\*373<sup>rd</sup> Council Meeting held on September 22-23, 2023

**(4) Syllabus**

- (i) The contents and learning outcomes of each subject are attached as Annexure –A.
- (ii) Where a specific reference to any legislation, guideline, standard and other similar document is given in the syllabus, it shall be deemed to cover any subsequent amendments that may be made therein from time to time, subject to the timelines mentioned in this paragraph.
- (iii) Any revision and amendment in legislation, standard, code, guideline and statement shall not be part of the syllabus before six months period prior to the month of examinations has elapsed:
  - (a) in case of legislation, from the date of publication thereof by the issuing authority;
  - (b) in case of change, revision or issuance of new standard, code, guideline and statement, from the date of publication of study material by the Institute or date of application prescribed by the issuing authority of the same, whichever is later.

Provided that Finance Act or Ordinance, and notifications and circulars relating to Finance Act or Ordinance, issued four months prior to the month of examinations shall be considered forming part of the syllabus, in case of CFAP and MSA.

**(5) Amendments not to be treated as revision/changes in syllabus**

The Institute shall have the power to:

- (i) make corrections of editorial nature;
- (ii) insert new legislation, guideline, standard and other similar document that have repealed or replaced legislation, guideline, standard and other similar document already included in the existing syllabus;
- (iii) delete the repealed or withdrawn legislation, guideline, standard and other similar document included in the existing syllabus;
- (iv) decide the applicability of ordinances issued by the competent authority and is pending approval of national assembly and senate, as the case may be.

Provided that all such amendments in Directive shall be ratified by the Council, preferably, in the next immediate meeting and shall be made part of the minutes of such meeting.

**(6) Revision of curriculum and syllabus**

- (i) Any subsequent revision in curriculum and syllabus, other than changes specified in paragraph 4(5), shall be approved by the Council.
- (ii) All relevant committees and directorates shall engage in formal consultation during the process of revision in curriculum and syllabus.
- (iii) The full scope revision in education and training scheme shall be undertaken by the Council at least every fifth year from the date of the last revision or earlier if deemed necessary.

**(7) Hands-on Courses (HOC)**

- (i) There shall be three hands-on courses, unless exempted and subject to transition under this Directive, to be completed at various stages of qualifications as follows:
  - (a) Presentation and Personal Effectiveness (PPE)
  - (b) MS Office
  - (c) Data Analytics and Fin-Tech
- (ii) Hands-on courses on PPE and MS Office shall be completed:
  - (a) any time before the commencement of training by the persons joining training on CAF basis on or after 01 March 2023. \*Provided that students joining training from 1 March 2023 to 31 August 2023 shall be required to complete the hands-on courses on PPE and MS office before 31 August 2023.
  - (b) any time before attempting CFAP by the persons joining training on graduation basis on or after 01 March 2022.

\*363<sup>rd</sup> Council Meeting dated December 8-9, 2022

- (iii) \*\*The assessment of Hands-on course on Data Analytics and Fin-Tech shall be passed at any time before attempting MSA.
- (iv) The Hands-on course may be conducted by the Institute or any other party as approved by the Institute.
- (v) \*\*For Data Analytics and Fin-Tech course, the Institute shall conduct its own assessment on completion of the course. Such assessments shall be offered by the Institute on a quarterly basis. The Institute may designate a Test Center for the conduct of the assessment on completion of the course.
- (vi) The learning outcomes of courses are specified in Annexure – A.

#### **(8) Course on Professional Values, Ethics and Attitude (PVEA)**

- (i) Trainee students shall be required to complete online courses on PVEA:
  - (a) before issuance of Form-O (Certificate of service and fitness for appearing at the CFAP Level Examinations) under byelaw 125, effective from Winter 2022 attempt; and
  - (b) before issuance of Form-S (Certificate of Completion of Service Under Training Contract) under bye-law 106 (2).
- (ii) The learning outcomes of the Course on PVEA are specified in Annexure – A.
- (iii) TO shall only issue Forms-O and S after verifying successful completion of the Course on PVEA at both stages.

### **5. EXEMPTIONS**

Exemptions are specified in Directive 1.21.

### **6. FEES AND REFUNDS**

#### **(1) Fees.**

The schedule of the fees shall be specified by the Council from time to time.

#### **(2) Refunds**

- (i) The fees paid by a person shall not be refunded except for registration as a full-time or as a trainee student, if the person is found ineligible for registration and applies to the Institute on the prescribed form.
- (ii) Fees for examinations shall be refunded in accordance with the provisions of bye-law 116.

### **7. EXAMINATIONS**

#### **(1) Admission to examinations**

Persons shall be admitted to examinations if they:

- (i) have been registered either as full-time students or trainee students;
- (ii) are eligible to appear in the examination, under the progression rules specified in this Directive; and
- (iii) have submitted the examination form along with the prescribed fee, within the specified dates.

#### **(2) Time and place of examination**

- (i) All examinations shall be held at such time and place as the Institute may determine from time to time.
- (ii) The Institute shall notify such information on the website periodically at least once each year.
- (iii) The Institute shall have the power to change the time and place of examinations after giving prior notice to the examinees through any or all of the mediums, namely, website, email, short messaging service, Institute's social networking sites and postal service.

\*\*378<sup>th</sup> Council Meeting dated January 20, 2024

**(3) Open book examinations**

(i) Examinees shall be permitted to carry/access books in certain examinations as specified below:

<b>Paper</b>	<b>Permitted book</b>
CFAP-1 Advanced Accounting and Financial Reporting	Handbook of International Financial Reporting Standards and ICAP Code of Ethics for Chartered Accountants (as prescribed from time to time with current version being Revised 2019).
CFAP-2 Advanced Corporate Laws and Practices	- Anti-money Laundering Act, 2010
	- Anti-money Laundering Regulations, 2015
	- Companies (Distribution of Dividends) Regulations, 2017
	- Companies (Further Issue of Shares) Regulations, 2020
	- Companies (General provisions and forms) Regulations, 2018
	- Companies (Incorporation) Regulations, 2017
	- Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017
	- Companies (Postal Ballot) Regulations, 2018
	- Companies (Related Party Transactions & Maintenance of Related Records) Regulations, 2018
	- Companies (Manner and Selection of Independent Directors) Regulations, 2018
	- Companies Act, 2017
	- Companies Ordinance, 1984
	- Competition Act, 2010
	- Corporate Rehabilitation Act 2018
	- Corporate Rehabilitation Regulations, 2019
	- Corporate Restructuring Companies Act, 2016
	- Corporate Restructuring Companies Rules, 2019
	- Employees Contributory Fund (Investment in Listed Securities) Regulations, 2018
	- Foreign Exchange Manual of State Bank of Pakistan
	- ICAP Code of Ethics for Chartered Accountants (as prescribed from time to time with current version being Revised 2019)
	- Insurance Ordinance, 2000
	- Listed Companies (Buy- Back of Shares) Regulations, 2019
	- Listed Companies (Code of Corporate Governance) Regulations, 2019
	- Listed Companies (Substantial Acquisition of voting shares and Takeovers) Regulations, 2017
	- NBFC (Establishment and Regulation) Rules 2003
	- Pakistan Stock Exchange Rule Book
- Payment System and Electronic Fund Transfer Act, 2007	
- Private Placement of Securities Rules, 2017	
- Public Offering Regulations, 2017	



Paper	Permitted book
	<ul style="list-style-type: none"> <li>- Public Sector Companies (Corporate Governance) Rules, 2013</li> <li>- Securities Act, 2015</li> <li>- The Banking Companies Ordinance, 1962</li> <li>- The Non-Banking Finance Companies and Notified Entities Regulations, 2008</li> </ul> <p><b>**Note:</b> Hard copies of the books will not be permitted in the examination hall. Link to digital versions of the Bare Acts will be provided in the examination software.</p>
CFAP-4 Business Finance Decisions	*Formula sheets will be provided by the Institute.
CFAP-5 Tax Planning and Practices	<ul style="list-style-type: none"> <li>- Income Tax Ordinance, 2001 and related rules</li> <li>- Sales Tax Act, 1990 and related rules</li> <li>- The Provincial Sales Tax Acts</li> <li>- The Islamabad Capital Territory (Tax on Services) Ordinance, 2001</li> <li>- Federal Excise Act, 2005 and related rules</li> <li>- ICAP Code of Ethics for Chartered Accountants (as prescribed from time to time with current version being Revised 2019)</li> </ul> <p><b>**Note:</b> Hard copies of the books will not be permitted in the examination hall. Link to digital versions of the Bare Acts will be provided in the examination software.</p>
CFAP-6 Audit, Assurance and Related Services	Handbook of International Auditing and Assurance Pronouncements and ICAP Code of Ethics for Chartered Accountants (as prescribed from time to time with current version being Revised 2019).
MSA-1 Financial Reporting and Assurance Professional	Any five books in total from amongst those books specified for subjects comprising this paper.
MSA-2 Management Professional Competence	Any five books in total from amongst those books specified for subjects comprising this paper.

- (a) Only original books duly bound shall be permitted, where applicable.
- (b) Examinees shall be permitted to highlight or underline the text in the permitted books.
- (c) Any decision taken by the Institute regarding permission to carry a book in the examinations shall be final.

#### (4) Use of unfair means

- (i) An examinee shall be considered guilty of using unfair means if the examinee's actions are likely to give an unfair advantage to the examinee or to any other examinee.

\*373<sup>rd</sup> Council Meeting held on September 22-23, 2023

\*\* 375<sup>th</sup> Council Meeting - November 16-17, 2023

(ii) The Examination Committee shall have the power to take appropriate action in the matter, as below:

Level	Offences under unfair means	Disciplinary Action
	<b>For Online Proctor Exams:</b>	
1	<ul style="list-style-type: none"> <li>Whispering/speaking both on and off-camera including appearance of the same.</li> </ul>	Warning
	<ul style="list-style-type: none"> <li>Suspicious moves or actions such as attempt to move away from the webcam or signaling someone, or appear to reach or hold objects off camera, writing or scribbling, etc.</li> </ul>	
	<ul style="list-style-type: none"> <li>Keeping pen, paper, books or any other prohibited material within arms' reach.</li> </ul>	
	<ul style="list-style-type: none"> <li>Other offence(s) of similar nature and intensity</li> </ul>	
2	<ul style="list-style-type: none"> <li>Writing notes on the desk before the start of the examination.</li> </ul>	Cancellation of paper
	<ul style="list-style-type: none"> <li>Use of electronic communication devices (e.g. mobile phone, Bluetooth or similar devices, earphone, headphone, etc.) for any purpose except for receiving call of the Proctor or Examination admin team from specified numbers.</li> </ul>	
	<ul style="list-style-type: none"> <li>Copy or transfer any examination material/screen on computer or mobile phone including but not limited to using print screen, photographing or any other function or means.</li> </ul>	
	<ul style="list-style-type: none"> <li>Attempt to write on paper, desk, table, etc. during the examination.</li> </ul>	
	<ul style="list-style-type: none"> <li>Repeating offence(s) of Level 1 (both under in-person policy and remote proctoring policy) of which cognizance has been taken earlier on the same day or on any other day of same or subsequent examination attempt.</li> </ul>	
3	<ul style="list-style-type: none"> <li>Use of materials of all kind (including paper slips) containing examination relevant material, except for those specifically allowed under exam policies.</li> </ul>	Cancellation of paper or cancellation of the current attempt (maximum penalty)
	<ul style="list-style-type: none"> <li>Any information written on hands, arms, dress, admit card, etc.</li> </ul>	
	<ul style="list-style-type: none"> <li>Leaving the examination room without the permission of the Proctor for any purpose whatsoever.</li> </ul>	
	<ul style="list-style-type: none"> <li>Non-compliance of given instructions or denial to follow the Proctor's instructions.</li> </ul>	

Level	Offences under unfair means	Disciplinary Action
	<ul style="list-style-type: none"> <li>Repeating offence of Level 2 (both under in-person policy and remote proctoring policy) of which cognizance has been taken earlier on the same day or on any other day of same or subsequent examination attempt.</li> <li>Other offences of similar nature and intensity.</li> </ul>	
4	<ul style="list-style-type: none"> <li>Attempt to threaten or abuse the Proctor to influence him/her during exam.</li> <li>Repeating offence(s) of Level 2 &amp; 3 (both under in-person policy and remote proctoring policy) of which cognizance has been taken earlier, in the same or subsequent attempt.</li> <li>Other offences of similar nature and intensity.</li> </ul>	Debarred from attempting examination for a period not exceeding two years.
5	Proxy sitting in lieu of authorized student.	The student who allows any other person to sit on his/her behalf shall be debarred for life. The person who attempts the examination shall be debarred for life if he/she is an ICAP student. An FIR for criminal offence may be lodged against that person if he/she is not an ICAP student.
<b>For In person Exams:</b>		
1	Cheating, helping or taking help from others while attempting an examination;	Cancel the result of the paper in which the examinee is found guilty of using unfair means.
2	Using electronic gadgets, other than those permitted by the Institute through notification, while attending the examination;	Cancel results of any number of papers attempted by the examinee in addition to the paper in which the examinee is found guilty of using unfair means.
3	Mentioning name/roll number/ any other identification mark or signing on answer script except on the specified portion which is specifically provided for this purpose; and	Suspend admission to examination for a period deemed appropriate, but not exceeding two years.
4	Writing unsolicited remarks on the answer script.	Suspend registration for a period deemed appropriate, but not exceeding two years.

**(5) Examination results**

- The passing marks shall be 50% in each subject.
- Only the marks obtained by persons in the paper(s) which they fail to pass shall be disclosed to them.

**(6) Review of answer scripts**

- An examinee who fails to pass an examination may apply to the Institute within 30 days from the declaration of result, on a specified form after paying the specified fee, for a review of answer script.

- (ii) The review shall involve:
  - (a) Checking that the marking process is free from errors and omissions.
  - (b) Marks were correctly counted and reflected in the results of the examinee.
- (iii) The response of the review application shall be sent to the applicant within 40 days of the receipt of an application by the Institute.
- (iv) Another scheme by the name of Student Feedback Scheme is also available under Institute notification effective from Summer 2014 examination.

#### **(7) Special arrangements**

- (i) An examinee may apply to the Institute 20 days prior to the first day of the month in which examinations are to be held, for special arrangements required due to any health or physical condition.
- (ii) The limit of 20 days' prior notice may be waived or relaxed by the Institute in case of emergency or under circumstances beyond the control of the examinee.
- (iii) The Institute shall have sole discretion to accept or reject the application to the extent deemed appropriate by the Institute.

## **8. RULES OF PROGRESSION**

### **(1) Appearance in the Examination**

#### **(i) \*CAF**

- (a) Examinees shall be permitted to attempt papers of CAF if they fulfill the registration requirements under directive 1.20 or pass AFC/PRC under directive 1.22.
- (b) Examinees shall be allowed to take up to a maximum of four papers in one sitting from any group.
- (c) Examinees will be permitted to appear in CAF – 5 (Financial Accounting & Reporting II) paper on passing CAF – 1 (Financial Accounting & Reporting I) paper.
- (d) Examinees will be permitted to appear in CAF-6 (Managerial and Financial Analysis) paper on passing CAF 3 (Cost and Management Accounting) paper.

\*\*Provided para 8(1)(i)(c) and para 8(1)(i)(d) shall not be applicable if an examinee has passed all papers of CAF Stage other than:

1. CAF – 1 (Financial Accounting & Reporting I) and CAF – 5 (Financial Accounting & Reporting II) papers; or
2. CAF – 3 (Cost and Management Accounting) and CAF – 6 (Managerial and Financial Analysis) papers.

Provided further that para 8(1)(i)(c) and para 8(1)(i)(d) shall not be applicable in the last 12 months of the maximum period to pass CAF.

#### **(ii) CFAP and MSA**

Students who:

- (a) have completed twelve months of training prescribed under the bye-laws on or before the first day of the month in which examination is to be held; and
  - (b) have passed or obtained exemptions from all papers of CAF shall be eligible to attempt CFAP.
- (iii)** Unless a lower number of papers remains, a student shall attempt a minimum of two papers at the CFAP and MSA level.
- (iv)** Examinees who have passed the following papers of CFAP shall be eligible to attempt 'MSA-1 Financial Reporting and Assurance Professional Competence':
- (a) Advanced Accounting and Financial Reporting
  - (b) Audit, Assurance and Related Services

\* 360th Council Meeting held on July 19, 2022 and 370th Council Meeting held on June 9-10, 2023

\*\*375th Council Meeting - November 16-17, 2023

- (v) Examinees who have passed the following papers of CFAP shall be eligible to attempt 'MSA-2 Management Professional Competence':
- (a) Strategy and Performance Measurement
  - (b) Business Finance Decisions

**(2)\*Appearance in Gateway Examinations**

- (i) A person who holds a four year degree from RDAI and obtains exemption from all papers mentioned in paragraph 3(1)(ii) of Directive 1.21 Exemption shall have the option to appear in any of the following Gateway Examinations in place of the examinations mentioned thereunder:
  - (a) GWE-1 Accounting & Reporting (60%) and Cost & Management Accounting (40%)
    - CAF-3 Cost and Management Accounting
    - CAF-5 Financial Accounting and Reporting – II
  - (b) GWE–2 Audit & Assurance (50%) and Taxation (50%)
    - CAF-2 Tax Practices
    - CAF-8 Audit and Assurance
- (ii) This paragraph does not restrict such candidates to appear in the full length examinations equivalent to Gateway Examinations irrespective of opting for Gateway Examination in any previous attempts.

**(3) Maximum number of attempts / maximum period allowed to pass all exams under this scheme**

- (i) Effective from Spring 2022 attempt, examinees appearing in CAF for the first time shall have a maximum of four years from the date of the first attempt to pass all papers at this stage. Provided that examinees who have no more than two papers remaining shall be permitted an additional one year to pass the remaining papers.

\*\*Provided further that examinees shall have additional two attempts on reaching the maximum period under paragraph 8(3) (i).

- (ii) Examinees whose training commence after 01 March 2022, shall not be admitted to any further examinations of CFAP and MSA unless they have passed four papers of CFAP level within ten years from the date of commencement of their training period. Provided that persons who have passed all papers except two papers of CFAP shall have no limitation as regard the number of attempts.
- (iii) Subject to paragraph 8(2)(ii) there shall be no limitation of attempts on examinees appearing in MSA.

- (4) An attempt shall be counted when a person is issued the admit card and signs the attendance sheet in the examination.

## 9. TRANSITION TO THE SCHEME 2021

- (1) The credit shall be awarded in the following manner irrespective of new composition of papers in the respective stage:

**(i) Stage wise credit for AFC qualified**

S. No.	Education and Training Scheme 2013	The Scheme 2021
1	Assessment of Fundamental Competencies (AFC)	Pre-Requisite Competencies (PRC)

\*373<sup>th</sup> Council Meeting held on September 22-23, 2023

\*377<sup>th</sup> Council Meeting held on January 5, 2024

**(ii) Stage wise credit for CAF, CFAP and MSA qualified**

2	Certificate in Accounting and Finance (CAF)	Certificate in Accounting and Finance (CAF)
3	Certified Finance and Accounting Professional (CFAP)	Certified Finance and Accounting Professional (CFAP)
4	Multi-subject Assessment (MSA)	Multi-subject Assessment (MSA)

**(2) Paper-wise credit for an incomplete stage**

The following mapping shall apply to only incomplete stages of Education Scheme 2013.

**(i) Credit for AFC passed or exempted papers**

Subjects before the commencement of the Scheme 2021		The Scheme 2021	
Code	Paper	Code	Paper
AFC-1	Functional English	PRC-1	Business Writing and Comprehension Skills
AFC-2	Business Communication		
AFC-3	Quantitative Methods	PRC-2	Quantitative Methods
AFC-4	Introduction to Information Technology	PRC-5	Introduction to Business

**(ii) Credit for CAF passed or exempted papers**

Subjects before the commencement of the Scheme 2021		The Scheme 2021	
Code	Paper	Code	Paper
CAF-1	Introduction to Accounting	PRC 4	Introduction to Accounting
CAF-2	Introduction to Economics and Finance	PRC 3	Principles of Economics
CAF-3	Business Law	CAF-4	Business Law
		CAF-7	Company Law
CAF-4	Business Management & Behavioural Studies	CAF-6	Managerial and Financial Analysis
CAF-5	Financial Accounting and Reporting – I	CAF-1	Financial Accounting and Reporting – I
CAF-6	Principles of Taxation	CAF-2	Tax Practices
CAF-7	Financial Accounting and Reporting – II	CAF-5	Financial Accounting and Reporting – II

CAF-8	Cost and Management Accounting	CAF-3	Cost and Management Accounting
CAF-9	Audit and Assurance	CAF-8	Audit and Assurance

**(d) Credit for CFAP and MSA passed papers**

Subjects before the commencement of the Scheme 2021		The Scheme 2021	
Code	Paper	Code	Paper
CFAP-1	Advanced Accounting and Financial Reporting	CFAP-1	Advanced Accounting and Financial Reporting
CFAP-2	Corporate Laws	CFAP-2	Advanced Corporate Laws and Practices
CFAP-3	Business Management and Strategy	CFAP-3	Strategy and Performance Measurement
CFAP-4	Business Finance Decisions	CFAP-4	Business Finance Decisions
CFAP-5	Advanced Taxation	CFAP-5	Tax Planning and Practices
CFAP-6	Audit, Assurance and Related Services	CFAP-6	Audit, Assurance and Related Services
MSA-1	Financial Reporting and Assurance Professional Competence	MSA-1	Financial Reporting and Assurance Professional Competence
MSA-2	Management Professional Competence	MSA-2	Management Professional Competence

**(e) Credit for Hands-on Courses**

PCSC	Presentation and Communication Skills Course	PPE	Presentation and Personal Effectiveness
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**(3) Transitions****CAF**

- (i) The transition for examinees who have appeared but have not passed all CAF papers before Spring 2022 attempt, under Education and Training Scheme 2013, shall be as follows:
- They shall be given credit in CAF under the Scheme 2021 according to the mapping specified in this paragraph.
  - They shall be required to pass remaining CAF papers under the Scheme 2021 within the period specified in this paragraph.
  - They shall have a maximum period calculated in the manner specified in this paragraph to pass all papers of CAF. The period shall be computed in months worked out as six times of the number of paper they have yet to pass on 01 March 2022. Provided that examinees who have no more

than three papers remaining on 01 March 2022 shall have twenty-four months to pass the remaining papers.

\*In addition, examinees shall have additional two attempts on reaching the maximum period under paragraph 9(3) (c).

Provided further that examinees who have no more than two papers remaining shall be permitted an additional one year to pass the remaining papers at the end of maximum period specified in this paragraph.

#### **CFAP**

- (ii) The transition for examinees who have completed their training or are undergoing training on 01 March 2022 and have not passed CFAP papers before the Summer 2022 attempt, under Education and Training Scheme 2013, shall be as follows:
  - (a) They shall be given credit in CFAP under the Scheme 2021 according to the mapping specified in 9(2)(iii) above.
  - (b) They shall be required to pass at least four papers of CFAP within ten years from Summer 2022 attempt. Provided that persons who have passed all papers except two papers of CFAP shall have no limitation as regards the number of attempts.

#### **Hands-on courses**

- (iii) Persons joining training before 01 March 2022 shall not be required to complete hands-on courses.

## **10. TRAINING REGULATIONS AND GUIDELINES**

The training regulations and guidelines are specified in Directive 1.03.

## **11. RELEVANT DEGREE AWARDING INSTITUTE (RDAI) AND SPECIFIED DEGREE AWARDING INSTITUTE (SDAI)**

The procedure to grant the status of Relevant Degree Awarding Institute and Specified Degree Awarding Institute to a university is specified in Directive 1.04.

## **12. REMOVAL OF DIFFICULTY**

The Council of the Institute shall have the powers to take such decisions as may be necessary to remove any difficulty arising from this Directive. Further, the Council of the Institute has delegated powers for the purpose of removing the difficulty of operational nature in implementation of this Directive to the Chairman ETCOM and the Chairman Examination Committee.

## **13. REPEAL**

- (1) This Directive shall repeal the Directive 1.01 – Education and Training Scheme 2013 on March 1, 2022.
- (2) Paragraph 1(3) shall be deemed as deleted with effect from the date of gazette notification of corresponding amendments in CA Byelaws 1983.

\*\*377<sup>th</sup> Council Meeting held on January 5, 2024



**Annexure – A****SYLLABUS**

Proficiency and testing levels are mentioned against each learning outcome within the syllabus and are explained below:

**Proficiency levels**

The proficiency level is the description of pitch of the performance expected from the person taking action. The levels are as follows:

Level of Proficiency	Description
P1	<p>Typically, learning outcomes in a competence area focus on:</p> <ul style="list-style-type: none"> <li>• Defining, explaining, summarizing, and interpreting the underlying principles and theories of relevant areas of technical competence to complete tasks while working under appropriate supervision;</li> <li>• Performing assigned tasks by using the appropriate professional skills;</li> <li>• Recognizing the importance of professional values, ethics, and attitudes in performing assigned tasks;</li> <li>• Solving simple problems, and referring complex tasks or problems to supervisors or those with specialized expertise; and</li> <li>• Providing information and explaining ideas in a clear manner, using oral and written communications.</li> </ul> <p>Learning outcomes at the foundation level relate to work environments that are characterized by low levels of ambiguity, complexity and uncertainty.</p>
P2	<p>Typically, learning outcomes in a competence area focus on:</p> <ul style="list-style-type: none"> <li>• Independently applying, comparing, and analyzing underlying principles and theories from relevant areas of technical competence to complete work assignments and make decisions;</li> <li>• Combining technical competence and professional skills to complete work assignments;</li> <li>• Applying professional values, ethics, and attitudes to work assignments; and</li> <li>• Presenting information and explaining ideas in a clear manner, using oral and written communication, to accounting and non-accounting stakeholders.</li> </ul> <p>Learning outcomes at the intermediate level relate to work environments that are characterized by moderate levels of ambiguity, complexity, and uncertainty.</p>
P3	<p>Typically, learning outcomes in a competence area focus on:</p> <ul style="list-style-type: none"> <li>• Selecting and integrating principles and theories from different areas of technical competence to manage and lead projects and work assignments, and to make recommendations appropriate to stakeholder needs;</li> <li>• Integrating technical competence and professional skills to manage and lead projects and work assignments;</li> <li>• Making judgments on appropriate courses of action drawing on professional values, ethics, and attitudes;</li> <li>• Assessing, researching, and resolving complex problems with limited supervision;</li> <li>• Anticipating, consulting appropriately, and developing solutions to complex problems and issues; and</li> <li>• Consistently presenting and explaining relevant information in a persuasive manner to a wide-range of stakeholders.</li> </ul> <p>Learning outcomes at the advanced level relate to work environments that are characterized by high levels of ambiguity, complexity, and uncertainty.</p>

## Testing Levels

Testing levels are the maximum marks assigned to a topic for examination purposes. The levels are as follows:

Testing Levels	Description
T1	The maximum limit per topic and a maximum aggregate limit of testing level-1 topics will be 8 marks and 35 marks respectively in an attempt. Topics covered in testing level 1 will include the following: <ul style="list-style-type: none"> <li>(i) Topics that are specifically identified as testing level 1 for a specified professional stage.</li> <li>(ii) All topics assessed at earlier stages of qualification.</li> <li>(iii) New topics included in the syllabus for the first time.</li> </ul>
T2	The maximum limit per topic of this level 2 will be 20 marks.
T3	The maximum limit per topic of this level 3 will be 25 marks.
	Any new topic included in the syllabus will be tested in the first attempt at level 1 irrespective of the testing level mentioned in the syllabus. Any amendment or replacement of existing laws, IFRS, ISAs, Code of Ethics, etc. will not be considered as the inclusion of a new topic in the syllabus.

**CAF-1: FINANCIAL ACCOUNTING AND REPORTING-I**

Competency
Apply selected international standards on financial reporting.

Syllabus Ref.	Grid	Teaching hours	Weightage
A	Preparation of Financial Statements	52-55	35-45
B	Conceptual Framework and Interpretation of Financial Statements	20-30	20-30
C	Accounting for Financial Transactions	40-45	30-40
	<b>Total</b>	<b>110-130</b>	<b>100</b>

**Key Examinable Technical Competencies**

Syllabus Ref.	Learning Outcomes	Proficiency levels	Testing levels
<b>A</b>	<b>Preparation of Financial Statements</b>		
1	Prepare the statement of changes in equity.	P2	T2
2	Prepare the statement of cash flows.	P2	T2
3	Analyze the impact of errors on the financial statements within a reporting period.	P2	T1
4	Apply the principles and concepts of selecting and applying accounting policies, accounting for changes in estimates and reflecting corrections of prior period errors.	P2	T1
5	Compare the usefulness of cash flow information with that of a statement of profit or loss or a statement of profit or loss and other comprehensive income.	P2	T1
6	Prepare financial statements for non-profit organizations.	P2	T2
<b>B</b>	<b>Conceptual Framework and Interpretation of Financial Statements</b>		
1	Apply and discuss the requirements of the conceptual framework for financial reporting.	P2	T1
2	Calculate and interpret ratios to give an assessment of an entity's performance and financial position with different benchmarks and discuss window dressing of financial statements to produce the desired effect.	P2	T2
3	Apply the principles and concepts concerning measurement, retrospective adjustments, presentation and disclosure of basic and diluted earnings per share.	P2	T2
<b>C</b>	<b>Accounting for Financial Transactions</b>		
1	Apply the principles and concepts of recognition, measurement at recognition and after recognition and disposal of property plant and equipment, the determination of their carrying amounts, and the depreciation charges and impairment losses to be recognized in relation to them.	P2	T2

Syllabus Ref.	Learning Outcomes	Proficiency levels	Testing levels
2	Apply the principles and concepts of accounting and disclosure of Government grants, other Government assistance and loans granted by the government (subsidized and forgivable).	P2	T1
3	Apply the principles and concepts of recognition, measurement and disclosure of borrowing costs.	P2	T1
4	Apply the principles and concepts of carrying assets (other than cash-generating unit and goodwill) at no more than their recoverable amount and recognition of impairment loss and reversal thereof.	P2	T1
5	Apply the principles and concepts of recognition, measurement, transfer, disposal and disclosure of Investment Property	P2	T2

#### Key Examinable Professional Skills

1	Evaluate data and information from a variety of sources and perspectives through research, integration and analysis.
2	Apply critical thinking skills to solve problems, inform judgements, make decisions and reach well-reasoned conclusions.
3	Communicate clearly and concisely when presenting, discussing and reporting in formal and informal situations.
4	Respond effectively to changing circumstances or new information to solve problems, inform judgements, make decisions, and reach well-reasoned conclusions.

#### Key Examinable Professional Values, Ethics and Attitude

1	Apply an inquiring mind when collecting and assessing data and information.
2	Apply critical thinking when identifying and evaluating alternatives to determine an appropriate course of action.

#### Specific Examinable Knowledge Reference

1	IAS 1: Presentation of Financial Statements
2	IAS 7: Statement of Cash Flows
3	IAS 8: Accounting policies, changes in accounting estimates and errors
4	IAS 16: Property, plant and equipment
5	IAS 20: Accounting for government grants and disclosure of government assistance
6	IAS 23: Borrowing costs
7	IAS 36: Impairment of assets
8	IAS 40: Investment property
9	Conceptual Framework for financial reporting: - Recognition and measurement of the elements of financial statements - Concepts of capital and capital maintenance
10	IAS 33: Earnings per share
11	Accounting standards for Not-for-profit organizations

**CAF-2: TAX PRACTICES**

Competency
Prepare income and sales tax information.

Syllabus Ref.	Grid	Teaching Hours	Weightage
A	Objective, System and Historical Background, Constitutional Provisions and Ethics	10-15	5-10
B	Income Tax Laws	70-80	60-75
C	Sales Tax Laws	30-35	20-30
	<b>Total</b>	<b>110-130</b>	<b>100</b>

**Key Examinable Technical Competencies**

Syllabus Ref.	Learning Outcomes	Proficiency levels	Testing levels
<b>A.</b>	<b>Objective, System and Historical Background, Constitutional Provisions and Ethics</b>		
<b>a</b>	<b>Basic Concepts of taxation and Constitutional Provisions</b>		
1	Discuss the implication of direct and indirect taxation.	P1	T1
<b>b</b>	<b>Federal and Provincial Financial Procedures</b>		
1	Describe Federal Consolidated Fund and Public Account.	P1	T1
2	Describe Provincial Consolidated Fund and Public Account.	P1	T1
3	Explain the provisions related to the distribution of revenues between the Federation and Provinces.	P1	T1
4	Discuss taxes that can be raised under the authority of Parliament.	P1	T1
5	Describe the powers of provincial assemblies in respect of provincial taxes.	P1	T1
<b>c</b>	<b>Ethics</b>		
1	Discuss the objectives and rights of the state to tax its citizens.	P1	T1
2	Discuss morality behind compliance with tax laws by taxpayers and tax practitioners.	P2	T1
3	Describe the powers vs ethical responsibilities of tax implementation authorities	P2	T1
4	Discuss pillars of tax administration, namely; fairness, transparency, equity and accountability.	P2	T1
5	Explain the basic difference between evasion and avoidance of tax.	P1	T1
<b>B.</b>	<b>Income Tax Laws</b>		
<b>a</b>	<b>Central Concepts</b>		
1	Describe the central concepts and scope of income	P2	T2

Syllabus Ref.	Learning Outcomes	Proficiency levels	Testing levels
<b>b</b>	<b>Chargeability and Computation of Income and Tax</b>		
1	Compute income, taxable income and tax thereon under various heads of income for non-corporates i.e. salary, income from property, income from business, capital gains and income from other sources.	P2	T2
2	Apply the provisions relating to carry forward, deductible allowances, set-off of losses, tax credit and tax exemptions / concessions.	P2	T2
<b>c</b>	<b>Procedural Aspects: Returns, Assessments, Appeals and Records</b>		
1	Explain tax compliance requirements and related submissions	P2	T2
2	Identify persons required to furnish a return of income and wealth statement.	P2	T2
3	Explain the provisions of law relating to the method of filing, revision, due dates for filing and extension in the date for filing of return/statement.	P2	T2
4	Prepare return of income and wealth statement along with its reconciliation.	P2	T2
5	Communicate with Inland Revenue Authorities (filing applications, representations and extensions).	P2	T2
6	Explain the provisions of law relating to various types of assessment.	P2	T2
7	Discuss the provisions of law relating to maintenance of records and audit of income tax affairs of a person.	P2	T2
8	Describe procedure involved in appeals before various appellate authorities i.e. Commissioner (Appeals), Appellate Tribunal, High Court and Supreme Court.	P2	T2
9	State provisions of law relating to alternative dispute resolution.	P2	T2
<b>C.</b>	<b>Sales Tax Laws</b>		
<b>a</b>	<b>Scope and Payment of Tax</b>		
1	Calculate sales tax (output and input) on taxable supplies (including zero-rated and exempt supplies).	P2	T2
2	Discuss the time and manner of sales tax liability and its payment.	P2	T2
3	Calculate apportionment of input tax and carry forward/refund thereof.	P2	T2
<b>b</b>	<b>Registration</b>		
1	Describe the types, requirements and procedures involved for registration, de-registration and returns.	P2	T2
<b>c</b>	<b>Book Keeping and Invoicing Requirements</b>		
1	List the records to be kept by a registered person and explain the related retention requirements and procedures involved in the audit.	P2	T2

Syllabus Ref.	Learning Outcomes	Proficiency levels	Testing levels
2	State the significance of tax invoice, debit and credit notes and their related requirements.	P1	T1
3	Explain the procedure for the destruction of goods.	P2	T2

#### Key Examinable Professional Skills

1	Evaluate data and information from a variety of sources and perspective through research, integration and analysis.
2	Apply critical thinking skills to solve problems, inform judgements, make decisions and reach well-reasoned conclusions.
3	Communicate clearly and concisely when presenting, discussing and reporting in formal and informal situations.

#### Key Examinable Professional Values, Ethics and Attitudes

1	Apply an inquiring mind when collecting and assessing data and information
2	Apply critical thinking when identifying and evaluating alternatives to determine an appropriate course of action.
3	Identify threats to compliance with the fundamental principles of ethics.

#### Specific Examinable Knowledge Reference

1	Article 78 to 88 of the Constitution of Pakistan
2	Article 118 to 127 of the Constitution of Pakistan
3	Article 160 to 165A of the Constitution of Pakistan
4	Sections 43 to 53 in the Fourth Schedule attached to the Constitution.
5	Code of Ethics for Chartered Accountants (Revised 2019) Sections 604.1 to 604.6A1
	<b>Income Tax Ordinance, 2001</b>
6	Clauses of Section 2: (1, 3, 3C, 5, 5A, 8, 9, 10, 10A, 11A, 13AA, 16, 19, 19A, 20, 21, 22, 23, 29, 29A, 29C, 30AC, 30AE, 32, 33, 36, 38A, 41, 44A, 45, 46, 47, 49, 54, 63, 66, 68) and other definitions covered under relevant sections
7	Chapter II - (excluding Sections 4B, 5A, 5AA, 6, 7, 7A, 7C, 7D)
8	Chapter III - (excluding Sections 23B, 29A, 30, 31, 36, 49, 56A, 57A, 59AA, 59B, 64B, 65B, and 65E)
9	Chapter IV - (excluding Sections 78 and 79)
10	Chapter V - (excluding Part II Division III, Part IV and V)
11	Chapter VII - Part II only
12	Chapter IX – Section 113 only
13	Chapter X – [(Part I, II, III) and (Part VIII - Sections 174 and 177 only)]
14	Schedules: Relevant Parts of First, Second, Third and Sixth Schedules
	<b>Income Tax Rules, 2002</b>
15	Income tax rules related to the above provisions of the Income Tax Ordinance, 2001
	<b>Sales Tax Act, 1990</b>
16	Clauses of Section 2: 3, 5AA, 5AB, 7, 9, 9A, 11, 12, 13, 14, 16, 17, 19, 20, 21, 22A, 25, 27, 28, 29A, 31, 33, 35, 37, 39, 40, 41, 43, 44, 46, 47, 48
17	Chapters II, III, IV and V
18	Chapter X: Section 73
	<b>Sales Tax Rules, 2006</b>
19	Chapter I, II, III and IV

### CAF-3: COST AND MANAGEMENT ACCOUNTING

Competency
Prepare, account for, record and report production cost of goods and services for managerial decision making.

Syllabus Ref	Grid	Teaching Hours	Weightage
A	Costs Associated with Production	45-50	35-45
B	Cost Flow	20-30	20-30
C	Cost Management Planning and Decisions	45-50	30-40
	<b>Total</b>	<b>110-130</b>	<b>100</b>

#### Key Examinable Technical Competencies

Syllabus Ref	Learning Outcomes	Proficiency Level	Testing level
<b>A.</b>	<b>Costs Associated with Production</b>		
<b>a</b>	<b>Production Cost</b>		
1	Identify elements of cost of product, job or services.	P2	T1
2	Account for elements of cost to accumulate the cost of product, job or services using absorption, marginal and activity-based costing.	P2	T2
3	Account for over or under-absorbed overheads.	P2	T1
4	Apply inventory valuation techniques for finished goods inventory in the absorption costing system.	P1	T1
<b>b</b>	<b>Raw Material</b>		
1	Apply inventory valuation and measurement techniques for raw material inventory.	P2	T2
<b>c</b>	<b>Manufacturing Overhead</b>		
1	Analyze costs of production and service departments for allocation and apportionment of production costs.	P2	T2
2	Calculate predetermined factory overheads rate.	P2	T2
<b>d</b>	<b>Labour</b>		
1	Discuss productivity and efficiency measurement in relation to controlling labor costs.	P2	T1
2	Explain the concept of remuneration systems, incentive wage plans and types therein.	P2	T1
3	Compute the impact of a learning curve on the productivity of employees.	P2	T1
<b>B.</b>	<b>Cost Flow</b>		
<b>a</b>	<b>Process Costing</b>		
1	Analyze and account for the flow of cost in the process costing system.	P2	T2



Syllabus Ref	Learning Outcomes	Proficiency Level	Testing level
2	Analyze and account for normal and abnormal loss, abnormal gain and cost of rework in process costing.	P2	T1
3	Apply inventory valuation techniques on work in process and finished goods in process costing system.	P2	T2
4	Analyze and account for the cost of joint and by-product.	P2	T2
<b>b</b>	<b>Target Costing</b>		
1	Apply the target costing tools to given scenarios.	P1	T2
<b>c</b>	<b>Variance Analysis</b>		
1	Compute standard rates of material, labour and factory overhead.	P2	T2
2	Analyze different variances.	P2	T2
<b>C.</b>	<b>Cost Management Planning and Decisions</b>		
<b>a</b>	<b>Cost-Volume-Profit</b>		
1	Analyze cost-volume-profit to support decision making	P2	T2
<b>b</b>	<b>Special Orders</b>		
1	Analyze incremental cost-benefit and contribution margin for a special order.	P2	T2
<b>c</b>	<b>Make or Buy Decisions</b>		
1	Analyze incremental cost-benefit and contribution margin to take product mix, make or buy decision.	P2	T2
<b>d</b>	<b>Further Processing Decisions</b>		
1	Analyze incremental cost-benefit for further processing decision.	P2	T2
<b>e</b>	<b>Shut Down and Product Discontinuation Decisions</b>		
1	Analyze cost-benefit to take shut down and product continuation or discontinuation decisions.	P2	T2
<b>f</b>	<b>Economic Order Quantity (EOQ)</b>		
1	Calculate EOQ	P2	T2
<b>g</b>	<b>Safety Stock and Re-order level</b>		
1	Calculate safety stock and re-order levels.	P2	T2

#### Key Examinable Professional Skills

1	Evaluate data and information from a variety of sources and perspective through research, integration and analysis.
2	Apply critical thinking skills to solve problems, inform judgements, make decisions and reach well-reasoned conclusions
3	Communicate clearly and concisely when presenting, discussing and reporting in formal and informal situations

**Key Examinable Professional Values, Ethics and Attitude**

1	Apply an inquiring mind when collecting and assessing data and information
2	Apply critical thinking when identifying and evaluating alternatives to determine an appropriate course of action.

**Specific Examinable Knowledge Reference**

1	FIFO, weighted average, lower of cost and net realizable value methods of inventory valuation
2	Direct and indirect cost
3	Variable, semi-variable and fixed costs
4	Repeated distribution method of apportionment of service department cost
5	Simultaneous equation method of apportionment of service department cost
6	Learning curve theory
7	Opportunity cost
8	Relevant cost
9	Breakeven analysis and charts
10	Profit/volume charts
11	Economic Order Quantity
12	Direct material total cost, price and usage variances
13	Direct labour total cost, rate, efficiency and idle time variances
14	Variable production overhead total cost, expenditure and efficiency variances
15	Fixed production overhead expenditure, efficiency and capacity variances
16	Material mix and yield variances
17	Sales Variance and Operating segments

**CAF-4: BUSINESS LAW**

<b>Competency</b>
Apply commonly used laws and regulations relevant to businesses.

Syllabus Ref.	Grid	Teaching hours	Weightage
A	Introduction to legal system	5-8	5-8
B	Contract Act, 1872-Essentials	30-35	20-25
C	Contract Act, 1872-Performance	35-40	25-30
D	Other Business Laws	40-47	35-52
	<b>Total</b>	<b>110-130</b>	<b>100</b>

**Key Examinable Technical Competencies**

Syllabus Ref.	Contents	Proficiency Level	Testing Level
<b>A.</b>	<b>Introduction to legal system</b>		
1	Describe legislation, its forms and the process of legislation in Pakistan.	P2	T1
<b>B.</b>	<b>Contract Act, 1872-Essentials</b>		
1	Identify essential elements of offer, acceptance and revocation.	P2	T2
2	Analyze a relationship to identify valid, voidable or void agreements.	P2	T2
3	Apply provisions governing contingent contracts.	P2	T2
<b>C</b>	<b>Contract Act, 1872-Performance</b>		
1	Apply provisions governing the performance of contracts.	P2	T2
2	Apply provision governing relations resembling those created by contract.	P2	T2
3	Discuss consequences of breach of contract.	P2	T2
4	Explain contract of agency.	P2	T1
<b>D</b>	<b>Other Business Laws</b>		
1	Describe partnership, nature of the partnership, its creation, types and modes of determining the existence of a partnership.	P2	T1
2	Apply the provisions governing the relation of partners to one another.	P2	T2
3	Apply provisions governing the relation of partners to third parties.	P2	T2
4	Explain fundamental concepts of the promissory note, bill of exchange and cheque.	P2	T1
5	Explain provisions relating to the crossing of the cheque.	P2	T1

Syllabus Ref.	Contents	Proficiency Level	Testing Level
6	Explain basic concepts in laws related to Anti-money laundering, Data protection, Electronic funds transfer, Competition act, arbitration.	P1	T3

### Key Examinable Professional Skills

1	Evaluate data and information from a variety of sources and perspective through research, integration and analysis.
2	Apply critical thinking skills to solve problems, inform judgements, make decisions and reach well-reasoned conclusions.
3	Communicate clearly and concisely when presenting, discussing and reporting in formal and informal situations.

### Key Examinable Professional Values, Ethics and Attitude

1	Apply an inquiring mind when collecting and assessing data and information.
2	Apply critical thinking when identifying and evaluating alternatives to determine an appropriate course of action.
3	Analyze the interrelationship of ethics and law, including the relationship between laws, regulations, and the public interest.
4	Explain the role and importance of ethics in relation to business and good governance.

### Specific Examinable Knowledge Reference

<b>1</b>	<b>Contract Act, 1872-Essentials</b>
I	Section 1 to 2
li	Section 3 to 9
lii	Section 10 to 30C
lv	Section 31 to 36
<b>2</b>	<b>Contract Act, 1872-Performance</b>
I	Section 37 to 67
li	Section 68 to 72
lii	Section 73 to 75
lv	Section 182 to 189
<b>3</b>	<b>Other Business Laws</b>
<b>3.1</b>	<b>Partnership Act, 1932</b>
I	Section 1 to 8
li	Section 9 to 17
lii	Section 18 to 30
<b>3.2</b>	<b>Negotiable Instruments Act, 1881</b>
I	Section 1 to 15
li	Section 122A to 131C

<b>3.3</b>	<b>Anti-money Laundering Act, 2010</b> Section 2(xiv), 3, 4
<b>3.4</b>	<b>Payment Systems and Electronic Fund Transfers Act, 2007</b> Section 2(s, t, za), 4, 5, 11
<b>3.5</b>	<b>Overview of Prevention of Electronic Crimes Act, 2016</b> Section 2(ii, iii, x, xiv, xxxi), 3, 4, 5, 6, 7, 8, 9
<b>3.6</b>	<b>Competition Act, 2010</b> Section 2(f, k, l, r), 3, 4, 10
<b>3.7</b>	<b>The Arbitration Act, 1940</b> Section 2(a, d), 3, 4, 5, 13, 21

**CAF-5: FINANCIAL ACCOUNTING AND REPORTING-II**

Competency
Apply selected international standards, laws and regulations on financial reporting.

Syllabus Ref.	Grid	Teaching hours	Weightage
A	Preparation of Financial Statements	35-40	25-35
B	Accounting for Non-current Assets	35-40	25-35
C	Ethics and Other Areas of IFRS	40-50	35-45
	<b>Total</b>	<b>110-130</b>	<b>100</b>

**Key Examinable Technical Competencies**

Syllabus Ref.	Learning Outcomes	Proficiency levels	Testing levels
<b>A</b>	<b>Preparation of Financial Statements</b>		
1	Apply the principles, laws and concepts with respect to preparation and presentation of the following: <ul style="list-style-type: none"> <li>• Statement of financial position</li> <li>• Statement of comprehensive income</li> <li>• Statement of changes in equity</li> <li>• Notes to the financial statements</li> </ul>	P2	T2
2	Calculate goodwill and consideration transferred in case of business combinations.	P2	T2
3	Calculate the value of Investment in associates as per equity method of accounting.	P2	T1
4	Prepare and present consolidated statements of financial position and consolidated statement of comprehensive income involving a single subsidiary and associate.	P2	T2
<b>B</b>	<b>Accounting for Non-current Assets</b>		
1	Apply the principles and concepts with respect to recognition, classification and measurement of financial instruments including preparation of journal entries (excluding impairment, reclassification, derivatives, embedded derivatives, hedge accounting, de-recognition and modification).	P2	T1
2	Apply the principles and concepts for recognition, measurement, presentation and disclosure of Leases (Excluding modification, sale and lease back and reassessment).	P2	T2
3	Apply the principles and concepts for recognition and measurement of intangible assets and expense; and measurement after recognition and disclosure of intangible assets (including website costs).	P2	T2
4	Apply the principles and concepts for recognition, measurement at and after recognition and disclosure of biological assets, agriculture produce and government grants related to a biological asset.	P2	T1

Syllabus Ref.	Learning Outcomes	Proficiency levels	Testing levels
<b>C</b>	<b>Ethics and Other Areas of IFRS</b>		
<b>a</b>	<b>Ethics</b>		
1	Describe with simple examples the fundamental principles of professional ethics.	P2	T1
2	Apply the conceptual framework to identify, evaluate and address threats to compliance with fundamental principles.	P2	T1
3	Explain using simple examples the ethical responsibilities of a Chartered Accountant in the preparation and reporting of financial information.	P2	T1
<b>b</b>	<b>Other Areas of IFRS</b>		
1	Apply the principles and concepts with respect to disclosure and measurement of operating and reportable segments.	P2	T1
2	Apply the principles and concepts for recognition, measurement and disclosure of adjusting and non-adjusting events after the reporting period.	P2	T2
3	Apply the principles and concepts for recognition, measurement and disclosure of Provisions, Contingent liabilities and Contingent assets.	P2	T2
4	Apply the principles and concepts of recognition, measurement, presentation and disclosure of Revenue from contracts.	P2	T2
5	Apply the principles and concepts for recognition, measurement and disclosure of current tax and deferred tax asset and liability (excluding Business Combinations)	P2	T2
6	Apply principles and concepts in respect of effect of changes in foreign exchange rates on foreign currency transactions.	P2	T1

#### Key Examinable Professional Skills

1	Evaluate data and information from a variety of sources and perspective through research, integration and analysis.
2	Apply critical thinking skills to solve problems, inform judgements, make decisions and reach well-reasoned conclusions
3	Communicate clearly and concisely when presenting, discussing and reporting in formal and informal situations
4	Respond effectively to changing circumstances or new information to solve problems, inform judgements, make decisions, and reach well-reasoned conclusions.

#### Key Examinable Professional Values, Ethics and Attitude

1	Apply an inquiring mind when collecting and assessing data and information
2	Apply critical thinking when identifying and evaluating alternatives to determine an appropriate course of action.
3	Apply the relevant ethical requirements to professional behavior in compliance with standards.
4	Explain the nature of ethics.
5	Identify threats to compliance with the fundamental principles of ethics.

6	Evaluate the significance of threats to compliance with the fundamental principles of ethics and respond appropriately.
7	Apply ethical principles of ethics when collecting, generating, storing, accessing, using and sharing data and information.

#### Specific Examinable Knowledge Reference

1	IAS 1: Presentation of Financial Statements
2	IAS 10: Events after the reporting period
3	IAS 12: Income Taxes
4	IAS 21: The effect of changes in foreign exchange rates
5	IAS 28: Investments in associates and joint ventures
6	IAS 37 and IFRIC 1: Change in Existing Decommissioning, Restoration and Similar Liabilities.
7	IAS 38 and SIC 32: Intangible assets – Website costs
8	IAS 41: Agriculture
9	IFRS 3: Business Combinations
10	IFRS 8: Operating Segments
11	IFRS 9: Financial Instruments
12	IFRS 10: Consolidated Financial Statements
13	IFRS 15: Revenue from Contracts with Customers
14	IFRS 16: Leases
15	Companies Act, 2017 Third, Fourth schedule and Fifth schedules
16	Code of Ethics, (Revised) 2019 (sections 100-120, 220)



## CAF-6 MANAGERIAL AND FINANCIAL ANALYSIS

Competency
Apply business and financial analysis on business problems.

Syllabus Ref.	Grid	Teaching Hours	Weightage
A	Managerial Analysis	40-45	30-40
B	Financial Analysis and Risk Management	45-55	30-40
C	Budgeting	25-30	25-35
	<b>Total</b>	<b>110-130</b>	<b>100</b>

### Key Examinable Technical Competencies

Syllabus Ref.	Contents	Proficiency level	Testing level
<b>A</b>	<b>Managerial Analysis</b>		
<b>a</b>	<b>External Analysis</b>		
1	Analyze impacts of political, legal and social environment on a business organization.	P2	T2
2	Analyze technological disruption and opportunities for a business organization.	P2	T2
3	Analyze impacts of economic environment on a business organization.	P2	T2
4	Analyze impacts of competitive environment on a business organization.	P2	T2
<b>b</b>	<b>Internal Analysis</b>		
1	Analyze the internal environment of an organization.	P2	T2
2	Explain the adequacy of manual and technology-based systems, processes and controls for collecting, generating, storing, assessing, using or sharing data and information.	P2	T2
3	Apply Information and Communication Technologies to enhance the efficiency and effectiveness of an organization's systems.	P2	T2
<b>c</b>	<b>Ethical Decision making</b>		
1	Analyze a business situation using ethical-decision making models.	P2	T2
<b>B</b>	<b>Financial Analysis and Risk Management</b>		
1	Discuss various sources of finance including debt, equity and Islamic finance.	P1	T1
2	Compute Cost of equity, cost of debt and the weighted average cost of capital.	P2	T1
3	Analyze capital asset's sensitivity to systematic risk, expected return of market and risk-free assets.	P2	T2

Syllabus Ref.	Contents	Proficiency level	Testing level
4	Apply risk management techniques on business entities.	P2	T2
5	Apply financial risk management techniques on business entities.	P2	T2
<b>C</b>	<b>Budgeting</b>		
1	Prepare budget using external and internal analysis and quantitative techniques.	P2	T2
2	Analyze an organization's cash flow and working capital requirements.	P2	T2
3	Compute NPV, IRR and Payback for a given project	P2	T2

#### Key Examinable Professional Skills

1	Evaluate data and information from variety of sources and perspective through integration and analysis.
2	Apply critical thinking skills to solve problems, inform judgements, make decisions and reach well-reasoned conclusions
3	Communicate clearly and concisely when presenting, discussing and reporting in formal and informal situations
4	Respond effectively to changing circumstances or new information to solve problems, inform judgements, make decisions, and reach well-reasoned conclusions.

#### Key Examinable Professional Values, Ethics and Attitude

1	Apply an inquiring mind when collecting and assessing data and information
2	Apply critical thinking when identifying and evaluating alternatives to determine an appropriate course of action.

#### Specific Examinable Knowledge Reference

1	SWOT Analysis
2	Porter's Five Forces Model
3	Product Life Cycle Model
4	Boston Consulting Group Matrix
5	Ethical decision making - Tucker's 5-question Model (Presented by Graham Tucker)
6	Ethical decision making - American Accounting Association 7-step Model
7	ISO 31000 Risk management — Guidelines issued by International Standardization Organization
8	Capital Asset Pricing Model
9	Hedging interest rate: Futures, Options and Forward agreement excluding hedge efficiency
10	Hedging Foreign Exchange: Currency futures, Options, Forward and Money Market hedge excluding hedge efficiency
11	Commodity and security: Forward and future contracts

**CAF-7: COMPANY LAW**

<b>Competency</b>
Apply laws and regulations that govern limited and unlimited liability companies.

Syllabus Ref.	Grid	Teaching Hours	Weightage
A	Incorporation and Issuance of Shares	15-20	15-20
B	Management and Administration	35-38	20-25
C	Meetings and Proceedings, Directors and Chief Executive	35-40	20-30
D	Accounts and Dividends	10-12	15-20
E	Winding up	15-20	15-20
	<b>Total</b>	<b>110-130</b>	<b>100</b>

**Key Examinable Technical Competencies**

Syllabus Ref.	Learning Outcomes	Proficiency level	Testing level
<b>A</b>	<b>Incorporation and Issuance of Shares</b>		
1	Discuss the provisions of law relating to business, objects and incorporation of different kinds of companies.	P2	T2
2	Discuss the provisions of law relating to the issuance of shares.	P2	T1
<b>B</b>	<b>Management and Administration</b>		
1	Apply provisions related to registration of mortgages and charges.	P2	T2
2	Apply the provisions of law relating to management, administration, investment and disclosure of interest.	P2	T2
<b>C</b>	<b>Meetings and Proceedings, Directors and Chief Executive</b>		
1	Discuss the provisions of law relating to meetings and proceedings.	P2	T2
2	Discuss the provisions of law relating to directors and chief executive.	P2	T2
<b>D</b>	<b>Accounts and Dividends</b>		
1	Discuss provisions of law relating to accounts and dividends.	P2	T2
<b>E</b>	<b>Winding up</b>		
1	Discuss provisions of law relating to winding up.	P2	T2

**Key Examinable Professional Skills**

1	Analyze information through integration and analysis.
2	Apply critical thinking skills to address problems and reach well-reasoned conclusions
3	Communicate clearly and concisely when presenting and discussing in formal and informal situations

**Key Examinable Professional Values, Ethics and Attitude**

1	Apply an inquiring mind when collecting and assessing data and information
2	Apply critical thinking when identifying and analyzing alternatives to determine an appropriate course of action.
3	Analyze the interrelationship of ethics and law, including the relationship between laws, regulations, and the public interest.
4	Explain the role and importance of ethics in relation to business and good governance.

**Specific Examinable Knowledge Reference**

1	<b>Companies Act 2017</b>
i	Sections: 2(4, 5, 8, 9, 10, 11, 14, 15, 16, 19, 17, 18, 20, 21, 25, 33, 34, 37, 38, 42, 45, 46, 49, 52, 54, 57, 63, 65, 66, 68, 71, 73, 74), 4, 7, 9 to 22, 24 to 43, 53 to 55, 57
ii	58 to 62, 85
iii	100, 105 to 109, 110, 112
iv	118, 125, 130, 199, 200, 204 to 208, 211
v	131-168, 170, 171, 174, 176 to 192, 194 to 196
vi	220, 223, 226 to 229, 232 to 234, 237, 240-243
vii	293, 301, 302, 304 to 306, 315, 320, 321, 347, 381, 382
viii	First Schedule (Table A)
2	<b>Companies (Distribution of Dividends) Regulations, 2017</b> Regulation 2(vi, viii), 3,4 (1)(2)
3	<b>Companies (Manner and Selection of Independent Directors Regulations, 2018)</b> Regulation 4
h4	<b>Securities Act, 2015</b> Sections: 2(xii), 87(2),(4),(5),(6),(7); 88(1-8); 89 to 93

## CAF-8: Audit and Assurance

Competency
Apply knowledge of general concepts, principles, skills and techniques of auditing and selected International Standards on Auditing, Assurance and Ethics.

Syllabus Ref.	GRID	Teaching hours	Weightage
A	Audit Framework, Regulations and professional ethics	25-30	15-25
B	Planning and Risk Assessment	20-25	15-20
C	Audit Evidence and Internal Controls	50-55	45-55
D	Conclusion and Reporting	15-20	10-15
	<b>Total</b>	<b>110-130</b>	<b>100</b>

### Key Examinable Technical Competencies

Syllabus Ref.	Learning Outcomes	Proficiency Level	Testing Level
<b>A.</b>	<b>Audit Framework, Regulations and professional ethics</b>		
<b>a</b>	<b>Basic Concepts</b>		
	<ol style="list-style-type: none"> <li>Describe briefly the history, vision, mission, objectives and functions of the international auditing and assurance standards board (IAASB).</li> <li>Discuss the types, scope and inherent limitations of an External Audit.</li> <li>Discuss the concepts of true and fair view, professional skepticism, professional judgement, accountability and stewardship.</li> <li>Discuss the responsibility of management, those charged with governance and external auditors in relation to financial statements.</li> </ol>	P1	T1
<b>b</b>	<b>Concept of assurance and non-assurance engagements</b>		
	<ol style="list-style-type: none"> <li>Discuss the types and levels of the assurance engagement.</li> <li>Discuss briefly the non-assurance engagements related to Preparing Accounting Records and Financial Statements, Valuation Services and Recruitment Services.</li> </ol>	P1	T1
<b>c</b>	<b>Agreeing the terms of Audit Engagements</b>		
	<ol style="list-style-type: none"> <li>Discuss the concept, importance and the contents of Engagement Letter.</li> <li>Discuss factors to be considered in the case of recurring audits.</li> <li>Discuss Preconditions for an audit and Course of action in the case when preconditions are not present.</li> </ol>	P1	T1
<b>d</b>	<b>Quality Control Procedures</b>		
	<ol style="list-style-type: none"> <li>Explain the overall objectives and importance of quality control procedures in conducting an audit.</li> <li>Explain briefly the quality control procedures for acceptance and continuance of client relationship and engagement, engagement performance and monitoring.</li> </ol>	P1	T1

Syllabus Ref.	Learning Outcomes	Proficiency Level	Testing Level
<b>e</b>	<b>Appointment, removal and qualification of auditors</b>		
	1. Discuss the requirements related to appointment, removal, fee, qualification and disqualification of auditors.	P2	T2
	2. Discuss the objectives, rights and duties of external auditors in relation to the Financial Statement.	P1	T1
<b>f</b>	<b>Code of Ethics</b>		
	1. Discuss fundamental principles and threats to Independence and Objectivity. 2. Discuss the circumstances that cause threats and explain the safeguards to offset threats to compliance with the fundamental principles and threats to independence and objectivity. 3. Explain the matters to be considered by an audit firm in the following circumstances: <ul style="list-style-type: none"> <li>• Client acceptance</li> <li>• Engagement acceptance</li> </ul>	P2	T2
<b>B</b>	<b>Planning and Risk Assessment</b>		
<b>a</b>	<b>Planning an Audit</b>		
	1. Discuss the importance of planning an audit and the content of an audit strategy and detailed audit plan. 2. Discuss preliminary engagement activities. 3. Discuss additional considerations in initial audit engagements. 4. Discuss briefly the concept of interim and final audit and list the audit procedures that can be performed by the external auditor at the interim and final stage of an audit.	P1	T1
<b>b</b>	<b>Audit Documentation</b>		
	1. Discuss the importance of audit documentation including custody, ownership, confidentiality and retention. 2. Discuss types of working papers (Permanent and current), including automated and standardized working papers. 3. Discuss factors to be considered in determining the form and content of audit documentation.	P1	T1
<b>c</b>	<b>Risk identification and Assessment</b>		
	1. Define audit risk and its components. 2. Explain audit risk from the given scenario and the auditor's response to the risk identified. 3. Explain why auditors obtain an understanding of the entity and its environment. 4. Explain the matters about which the auditor will obtain an understanding of the entity and its environment. 5. Explain how the auditor will obtain an understanding of the entity and its environment. 6. Explain the purpose of risk assessment procedures at the planning stage of an audit. 7. Discuss documentation.	P2	T2

Syllabus Ref.	Learning Outcomes	Proficiency Level	Testing Level
<b>d</b>	<b>Materiality in planning and performing an Audit</b>		
	<ol style="list-style-type: none"> <li>1. Explain the concepts of materiality, qualitative materiality, revision in materiality, performance materiality.</li> <li>2. Explain how materiality is calculated.</li> <li>3. Explain the application of materiality on audit.</li> <li>4. Discuss documentation of materiality.</li> </ol>	P2	T2
<b>e</b>	<b>Fraud and Error</b>		
	<ol style="list-style-type: none"> <li>1. Define fraud and error and discuss their differences.</li> <li>2. Discuss types of Fraud.</li> <li>3. Discuss the responsibility of Management, those charged with governance and external auditor with respect to fraud.</li> <li>4. Discuss risk assessment procedures with respect to fraud by the External Auditor.</li> <li>5. Discuss response to the assessed risk of material misstatement due to fraud (at the financial statement level).</li> <li>6. Identify fraud risk factors and circumstances that indicate the possibility of fraud in simple scenarios.</li> </ol>	P2	T2
<b>C</b>	<b>Audit evidence and Internal Controls</b>		
<b>a</b>	<b>Audit Evidence</b>		
	<ol style="list-style-type: none"> <li>1. Define audit evidence and discuss methods to obtain audit evidence.</li> <li>2. Discuss the concept of Sufficient and appropriate audit evidence.</li> <li>3. Explain types of audit procedures.</li> <li>4. Define financial statement assertions.</li> </ol>	P1	T1
<b>b</b>	<b>External Confirmation</b>		
	<ol style="list-style-type: none"> <li>1. Define external confirmation, types, methods and significance of external confirmation.</li> <li>2. Discuss planning and design of External Confirmation.</li> <li>3. Discuss the course of action in the case of reply from third parties (both in the case of positive and negative confirmations).</li> <li>4. Discuss the course of action if management refuses to allow the auditor to send confirmation.</li> <li>5. Discuss the concept of exception and procedures to be performed in the case of an exception.</li> </ol>	P2	T2
<b>c</b>	<b>Analytical procedures</b>		
	<ol style="list-style-type: none"> <li>1. Explain analytical procedures and their various types.</li> <li>2. Discuss factors to be considered when using analytical procedures as substantive procedures.</li> <li>3. Discuss the importance of analytical procedures at the planning stage and when forming an overall conclusion / at the end of the audit.</li> <li>4. Interpret accounting ratios along with audit risk.</li> </ol>	P2	T2

Syllabus Ref.	Learning Outcomes	Proficiency Level	Testing Level
<b>d</b>	<b>Audit Sampling</b>		
	<ol style="list-style-type: none"> <li>1. Explain audit sampling and its purpose.</li> <li>2. Explain the concept of 100% testing and selection technique including factors to be considered in this regard.</li> <li>3. Discuss methods of sampling (Statistical and non-statistical).</li> <li>4. Explain the concept of sampling risk and non-sampling risk.</li> <li>5. Explain the concept of Stratification.</li> <li>6. Discuss the concept of misstatement and rate of deviation including expected and tolerated.</li> <li>7. State the audit procedures to be performed on the selected sample.</li> <li>8. Discuss the concept of projecting misstatement and evaluating the results of audit sampling.</li> </ol>	P1	T1
<b>e</b>	<b>Subsequent Events</b>		
	<ol style="list-style-type: none"> <li>1. Explain requirements related to subsequent events and the auditor's responses.</li> <li>2. Describe the auditor's responsibility in respect of the following situations: <ul style="list-style-type: none"> <li>- Events occurring between the date of the financial statements and the date of the auditor's report.</li> <li>- Facts that become known to the auditor after the date of the auditor's report but before the date the financial statements are issued.</li> <li>- Facts that become known to the auditor after the financial statements have been issued.</li> </ul> </li> </ol>	P2	T2
<b>f</b>	<b>Going Concern</b>		
	<ol style="list-style-type: none"> <li>1. Discuss the concept of going concern assumption.</li> <li>2. Discuss the responsibility of management and external auditors with respect to going concern.</li> <li>3. Explain potential indicators that an entity is not a going concern.</li> <li>4. Discuss the procedures to be applied in performing going concern reviews and additional procedures when events or conditions are identified.</li> <li>5. Explain the impact on the audit report in the case of going concern.</li> </ol>	P2	T2
<b>g</b>	<b>Written Representation</b>		
	<ol style="list-style-type: none"> <li>1. Explain written representation.</li> <li>2. Discuss the course of action when there is a doubt as to the reliability of written representation.</li> <li>3. Discuss the course of action in the event when management does not provide the requested written representation.</li> <li>4. Explain the impact on the audit report in the case there is a doubt about the reliability of written representation and when such is not provided by the management.</li> </ol>	P2	T2



Syllabus Ref.	Learning Outcomes	Proficiency Level	Testing Level
<b>h</b>	<b>Substantive Procedures</b>		
	<ol style="list-style-type: none"> <li>Explain the audit procedures to verify: <ul style="list-style-type: none"> <li>Profit and loss items (Sales, Purchases, payroll expense, Bad debt expense)</li> <li>Balance Sheet Items (Cash in hand, Cash at Bank, Tangible and Intangible Fixed Assets, Debtors, Trade Payables, Inventory, Long term loan, Various types of provisions)</li> <li>litigation and claims</li> <li>segment information</li> </ul> </li> <li>Explain the audit procedures for relevant and specific financial statement assertions.</li> </ol>	P2	T2
<b>i</b>	<b>Internal Control and Test of Controls</b>		
	<ol style="list-style-type: none"> <li>Explain internal control and its components.</li> <li>Discuss the objectives and limitation of an accounting and internal control system.</li> <li>Discuss how the internal control system is documented through various methods.</li> <li>Discuss the concept of Walkthrough Test and the difference between Walk through Test and Test of Controls.</li> <li>Discuss internal controls of a small company/entity.</li> <li>Explain the risk, controls and test of controls to be performed on major transition cycles (Sales system, purchase system, inventory system, bank and cash system, payroll system and revenue and capital expenditure system).</li> </ol>	P2	T2
<b>j</b>	<b>Using the work of others</b>		
	<ol style="list-style-type: none"> <li>Discuss the concepts and functions of the internal audit department.</li> <li>Explain the difference b/w the external audit and internal audit.</li> <li>Explain how the work of internal auditors is evaluated and direct assistance of internal auditors is used.</li> <li>Explain areas where an auditor's expert can be used by the external auditor.</li> <li>Explain factors to evaluate the competence, capability and objectivity of the auditor's expert.</li> <li>Explain how the adequacy of the auditor's expert's work can be evaluated.</li> <li>Explain how reference to the Auditor's expert is made in the auditors' report.</li> </ol>	P2	T2
<b>k</b>	<b>Related Party</b>		
	<ol style="list-style-type: none"> <li>Describe the term related party using simple examples.</li> <li>Discuss how related party transactions can give rise to the risk of material misstatement using simple examples.</li> <li>Describe the audit procedures including risk assessment procedures and related activities to obtain information relevant to identifying the related party relationships and transactions including responses to the assessed risk of material misstatement.</li> </ol>	P2	T2

Syllabus Ref.	Learning Outcomes	Proficiency Level	Testing Level
I	<b>Computer Assisted Audit Techniques and General &amp; Applicable IT Controls</b>		
	1 Explain the concept of Computer Assisted Audit Techniques, Test Data and Audit Software and their advantages and disadvantages. 2 Describe general I.T controls and Application I.T controls.	P2	T2
D	<b>Conclusions and Reporting</b>		
a	<b>External Audit Report</b>		
	1. Discuss the concept of unmodified and modified opinions. 2. Discuss the contents of an audit report. 3. Discuss additional reporting responsibilities. 4. Discuss the format and content of key audit matters (KAM), emphasis of matter paragraph (EOMP) and other matter paragraph (OMP). 5. Discuss the relationship of KAM with other content of audit report. 6. Discuss circumstances where EOMP and OMP are/may be necessary. 7. Discuss the relationship of EOMP and OMP with other content of audit report.	P1	T2
	8. Discuss the impact on the audit report via various types of opinions in scenario-based questions.	P2	T2
b	<b>Engagement to Review Financial Statements</b>		
	1. Discuss the concept and scope of a review engagement. 2. Explain Difference b/w audit and review engagement. 3. Discuss the procedures to be performed by the practitioner in the case of a review engagement.	P1	T1

#### Key Examinable Professional Skills

1	Evaluate data and information from a variety of sources and perspective through research, integration and analysis.
2	Apply critical thinking skills to solve problems, inform judgements, make decisions and reach well-reasoned conclusions.
3	Communicate clearly and concisely when presenting, discussing and reporting in formal and informal situations.
4	Respond effectively to changing circumstances or new information to solve problems, inform judgements, make decisions, and reach well-reasoned conclusions.

#### Key Examinable Professional Values, Ethics and Attitude

1	Apply an inquiring mind when collecting and assessing data and information
2	Apply critical thinking when identifying and evaluating alternatives to determine an appropriate course of action.
3	Analyze the interrelationship of ethics and law, including the relationship between laws, regulations and the public interest.
4	Identify threats to compliance with the fundamental principles of ethics.

5	Apply ethical principles of ethics when collecting, generating, storing, accessing, using and sharing data and information.
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### Specific Examinable Knowledge Reference

1	ISA 200: Overall objectives of the Independent Auditor and the conduct of an audit in accordance with International Standards on Auditing
2	ISA 210: Agreeing the terms of audit engagement
3	ISA 220: Quality Control for an audit of financial statements
4	ISA 230: Audit documentation
5	ISA 240: The auditor's responsibilities relating to fraud in an audit of financial statements(including appendix 1 and 3)
6	ISA 300: Planning an audit of financial statements
7	ISA 315(revised): identifying and assessing the risk of material misstatement through understanding the entity and its environment
8	ISA 320: Materiality in planning and performing an audit
9	ISA 330: The auditor's response to assessed risks
10	ISA 500: Audit evidence
11	ISA 501: Audit evidence-specific considerations for selected items
12	ISA 505: External confirmations
13	ISA 520: Analytical procedures
14	ISA 530: Audit Sampling
15	ISA 560: Subsequent Events
16	ISA 570: (Revised) Going Concern
17	ISA 580: Written representations
18	ISA 610(revised 2013): Using the work of internal auditors
19	ISA 620: Using the work of an auditor's expert
20	ISA 700(revised): Forming an opinion and reporting on Financial statements
21	ISA 701: Communicating Key audit matters in the Independent auditor's report
22	ISA 705 (revised): modifications to the opinion in the independent auditor's report
23	ISA 706 (revised): emphasis of matter paragraphs and other matter paragraphs in the independent auditor's report
24	ISRE 2400: Engagements to review historical financial statements
25	Companies Act 2017 (Sections 246 to 251)
26	ICAP Code of Ethics for Chartered Accountants revised 2019 (Sections 100-120, 320 and 330)

**\*GATEWAY EXAMINATIONS 1****ACCOUNTING & REPORTING AND COST & MANAGEMENT ACCOUNTING**

Syllabus Ref.	Grid	Weightage
<b>A</b>	<b>Accounting and reporting</b>	
a	Preparation of Financial Statements	15-20
b	Accounting for Non-current Assets	15-20
c	Ethics and Other Areas of IFRS	20-30
<b>B</b>	<b>Cost and management accounting</b>	
a	Costs Associated with Production	14-18
b	Cost Flow	8-12
c	Cost Management Planning and Decisions	12-16
	<b>Total</b>	<b>100</b>

Syllabus Ref.	Learning Outcomes	Proficiency levels	Testing levels
<b>A</b>	<b>Accounting and reporting</b>		
<b>a</b>	<b>Preparation of Financial Statements</b>		
1	Apply the principles, laws and concepts with respect to preparation and presentation of the following: <ul style="list-style-type: none"> <li>Statement of financial position</li> <li>Statement of comprehensive income</li> <li>Statement of changes in equity</li> <li>Notes to the financial statements</li> </ul>	P2	T2
2	Calculate goodwill and consideration transferred in case of business combinations.	P2	T2
3	Calculate the value of Investment in associates as per equity method of accounting.	P2	T1
4	Prepare and present consolidated statements of financial position and consolidated statement of comprehensive income involving a single subsidiary and associate.	P2	T2
<b>b</b>	<b>Accounting for Non-current Assets</b>		
1	Apply the principles and concepts with respect to recognition, classification and measurement of financial instruments including preparation of journal entries (excluding impairment, reclassification, derivatives, embedded derivatives, hedge accounting, de-recognition and modification).	P2	T1
2	Apply the principles and concepts for recognition, measurement, presentation and disclosure of Leases (Excluding modification, sale and lease back and reassessment).	P2	T2

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Syllabus Ref.	Learning Outcomes	Proficiency levels	Testing levels
3	Apply the principles and concepts for recognition and measurement of intangible assets and expense; and measurement after recognition and disclosure of intangible assets (including website costs).	P2	T2
4	Apply the principles and concepts for recognition, measurement at and after recognition and disclosure of biological assets, agriculture produce and government grants related to a biological asset.	P2	T1
<b>c</b>	<b>Ethics and Other Areas of IFRS</b>		
<b>i.</b>	<b>Ethics</b>		
1	Describe with simple examples the fundamental principles of professional ethics.	P2	T1
2	Apply the conceptual framework to identify, evaluate and address threats to compliance with fundamental principles.	P2	T1
3	Explain using simple examples the ethical responsibilities of a Chartered Accountant in the preparation and reporting of financial information.	P2	T1
<b>ii.</b>	<b>Other Areas of IFRS</b>		
1	Apply the principles and concepts with respect to disclosure and measurement of operating and reportable segments.	P2	T1
2	Apply the principles and concepts for recognition, measurement and disclosure of adjusting and non-adjusting events after the reporting period.	P2	T2
3	Apply the principles and concepts for recognition, measurement and disclosure of Provisions, Contingent liabilities and Contingent assets.	P2	T2
4	Apply the principles and concepts of recognition, measurement, presentation and disclosure of Revenue from contracts.	P2	T2
5	Apply the principles and concepts for recognition, measurement and disclosure of current tax and deferred tax asset and liability (excluding Business Combinations)	P2	T2
6	Apply principles and concepts in respect of effect of changes in foreign exchange rates on foreign currency transactions.	P2	T1
<b>B</b>	<b>Cost and management accounting</b>		
<b>a</b>	<b>Costs Associated with Production</b>		
<b>i.</b>	<b>Production Cost</b>		
1	Identify elements of cost of product, job or services.	P2	T1
2	Account for elements of cost to accumulate the cost of product, job or services using absorption, marginal and activity-based costing.	P2	T2
3	Account for over or under-absorbed overheads.	P2	T1
4	Apply inventory valuation techniques for finished goods inventory in the absorption costing system.	P1	T1
<b>ii.</b>	<b>Raw Material</b>		
1	Apply inventory valuation and measurement techniques for raw material inventory.	P2	T2
<b>iii.</b>	<b>Manufacturing Overhead</b>		
1	Analyze costs of production and service departments for allocation and apportionment of production costs.	P2	T2

Syllabus Ref.	Learning Outcomes	Proficiency levels	Testing levels
2	Calculate predetermined factory overheads rate.	P2	T2
<b>iv.</b>	<b>Labour</b>		
1	Discuss productivity and efficiency measurement in relation to controlling labor costs.	P2	T1
2	Explain the concept of remuneration systems, incentive wage plans and types therein.	P2	T1
3	Compute the impact of a learning curve on the productivity of employees.	P2	T1
<b>b</b>	<b>Cost Flow</b>		
<b>i.</b>	<b>Process Costing</b>		
1	Analyze and account for the flow of cost in the process costing system.	P2	T2
2	Analyze and account for normal and abnormal loss, abnormal gain and cost of rework in process costing.	P2	T1
3	Apply inventory valuation techniques on work in process and finished goods in process costing system.	P2	T2
4	Analyze and account for the cost of joint and by-product.	P2	T2
<b>ii.</b>	<b>Target Costing</b>		
1	Apply the target costing tools to given scenarios.	P1	T2
<b>iii.</b>	<b>Variance Analysis</b>		
1	Compute standard rates of material, labour and factory overhead.	P2	T2
2	Analyze different variances.	P2	T2
<b>c.</b>	<b>Cost Management Planning and Decisions</b>		
<b>i.</b>	<b>Cost-Volume-Profit</b>		
1	Analyze cost-volume-profit to support decision making	P2	T2
<b>ii.</b>	<b>Special Orders</b>		
1	Analyze incremental cost-benefit and contribution margin for a special order.	P2	T2
<b>iii.</b>	<b>Make or Buy Decisions</b>		
1	Analyze incremental cost-benefit and contribution margin to take product mix, make or buy decision.	P2	T2
<b>iv.</b>	<b>Further Processing Decisions</b>		
1	Analyze incremental cost-benefit for further processing decision.	P2	T2
<b>v.</b>	<b>Shut Down and Product Discontinuation Decisions</b>		
1	Analyze cost-benefit to take shut down and product continuation or discontinuation decisions.	P2	T2
<b>vi.</b>	<b>Economic Order Quantity (EOQ)</b>		
1	Calculate EOQ	P2	T2
<b>vii.</b>	<b>Safety Stock and Re-order level</b>		
1	Calculate safety stock and re-order levels.	P2	T2

**\*GATEWAY EXAMINATIONS 2**  
**AUDIT & ASSURANCE AND TAXATION**

Syllabus Ref.	Grid	Weightage
<b>A</b>	<b>Audit and assurance</b>	
a	Audit Framework, Regulations and professional ethics	8-12
b	Planning and Risk Assessment	8-12
c	Audit Evidence and Internal Controls	16-24
d	Conclusion and Reporting	8-12
<b>B</b>	<b>Taxation</b>	
a	Objective, System and Historical Background, Constitutional Provisions and Ethics	5-8
b	Income tax	20-32
c	Sales tax	15-20
	<b>Total</b>	<b>100</b>

Syllabus Ref.	Learning Outcomes	Proficiency Level	Testing Level
<b>A</b>	<b>Audit and assurance</b>		
<b>a</b>	<b>Audit Framework, Regulations and professional ethics</b>		
<b>i.</b>	<b>Basic Concepts</b>		
	<ol style="list-style-type: none"> <li>Describe briefly the history, vision, mission, objectives and functions of the international auditing and assurance standards board (IAASB).</li> <li>Discuss the types, scope and inherent limitations of an External Audit.</li> <li>Discuss the concepts of true and fair view, professional skepticism, professional judgement, accountability and stewardship.</li> <li>Discuss the responsibility of management, those charged with governance and external auditors in relation to financial statements.</li> </ol>	P1	T1
<b>ii.</b>	<b>Concept of assurance and non-assurance engagements</b>		
	<ol style="list-style-type: none"> <li>Discuss the types and levels of the assurance engagement.</li> <li>Discuss briefly the non-assurance engagements related to Preparing Accounting Records and Financial Statements, Valuation Services and Recruitment Services.</li> </ol>	P1	T1
<b>iii.</b>	<b>Agreeing the terms of Audit Engagements</b>		
	<ol style="list-style-type: none"> <li>Discuss the concept, importance and the contents of Engagement Letter.</li> <li>Discuss factors to be considered in the case of recurring audits.</li> <li>Discuss Preconditions for an audit and Course of action in the case when preconditions are not present.</li> </ol>	P1	T1

\*373<sup>th</sup> Council Meeting held on September 22-23, 2023

Syllabus Ref.	Learning Outcomes	Proficiency Level	Testing Level
<b>iv.</b>	<b>Quality Control Procedures</b>		
	<ol style="list-style-type: none"> <li>1. Explain the overall objectives and importance of quality control procedures in conducting an audit.</li> <li>2. Explain briefly the quality control procedures for acceptance and continuance of client relationship and engagement, engagement performance and monitoring.</li> </ol>	P1	T1
<b>v.</b>	<b>Appointment, removal and qualification of auditors</b>		
	1. Discuss the requirements related to appointment, removal, fee, qualification and disqualification of auditors.	P2	T2
	2. Discuss the objectives, rights and duties of external auditors in relation to the Financial Statement.	P1	T1
<b>vi.</b>	<b>Code of Ethics</b>		
	<ol style="list-style-type: none"> <li>1. Discuss fundamental principles and threats to Independence and Objectivity.</li> <li>2. Discuss the circumstances that cause threats and explain the safeguards to offset threats to compliance with the fundamental principles and threats to independence and objectivity.</li> <li>3. Explain the matters to be considered by an audit firm in the following circumstances: <ul style="list-style-type: none"> <li>• Client acceptance</li> <li>• Engagement acceptance</li> </ul> </li> </ol>	P2	T2
<b>b</b>	<b>Planning and Risk Assessment</b>		
<b>i.</b>	<b>Planning an Audit</b>		
	<ol style="list-style-type: none"> <li>1. Discuss the importance of planning an audit and the content of an audit strategy and detailed audit plan.</li> <li>2. Discuss preliminary engagement activities.</li> <li>3. Discuss additional considerations in initial audit engagements.</li> <li>4. Discuss briefly the concept of interim and final audit and list the audit procedures that can be performed by the external auditor at the interim and final stage of an audit.</li> </ol>	P1	T1
<b>ii.</b>	<b>Audit Documentation</b>		
	<ol style="list-style-type: none"> <li>1. Discuss the importance of audit documentation including custody, ownership, confidentiality and retention.</li> <li>2. Discuss types of working papers (Permanent and current), including automated and standardized working papers.</li> <li>3. Discuss factors to be considered in determining the form and content of audit documentation.</li> </ol>	P1	T1
<b>iii.</b>	<b>Risk identification and Assessment</b>		
	<ol style="list-style-type: none"> <li>1. Define audit risk and its components.</li> <li>2. Explain audit risk from the given scenario and the auditor's response to the risk identified.</li> <li>3. Explain why auditors obtain an understanding of the entity and its environment.</li> <li>4. Explain the matters about which the auditor will obtain an understanding of the entity and its environment.</li> </ol>	P2	T2



Syllabus Ref.	Learning Outcomes	Proficiency Level	Testing Level
	5. Explain how the auditor will obtain an understanding of the entity and its environment. 6. Explain the purpose of risk assessment procedures at the planning stage of an audit. 7. Discuss documentation.		
<b>iv.</b>	<b>Materiality in planning and performing an Audit</b>		
	1. Explain the concepts of materiality, qualitative materiality, revision in materiality, performance materiality. 2. Explain how materiality is calculated. 3. Explain the application of materiality on audit. 4. Discuss documentation of materiality.	P2	T2
<b>v.</b>	<b>Fraud and Error</b>		
	1. Define fraud and error and discuss their differences. 2. Discuss types of Fraud. 3. Discuss the responsibility of Management, those charged with governance and external auditor with respect to fraud. 4. Discuss risk assessment procedures with respect to fraud by the External Auditor. 5. Discuss response to the assessed risk of material misstatement due to fraud (at the financial statement level). 6. Identify fraud risk factors and circumstances that indicate the possibility of fraud in simple scenarios.	P2	T2
<b>c</b>	<b>Audit evidence and Internal Controls</b>		
<b>i.</b>	<b>Audit Evidence</b>		
	1. Define audit evidence and discuss methods to obtain audit evidence. 2. Discuss the concept of Sufficient and appropriate audit evidence. 3. Explain types of audit procedures. 4. Define financial statement assertions.	P1	T1
<b>ii.</b>	<b>External Confirmation</b>		
	1. Define external confirmation, types, methods and significance of external confirmation. 2. Discuss planning and design of External Confirmation. 3. Discuss the course of action in the case of reply from third parties (both in the case of positive and negative confirmations). 4. Discuss the course of action if management refuses to allow the auditor to send confirmation. 5. Discuss the concept of exception and procedures to be performed in the case of an exception.	P2	T2
<b>iii.</b>	<b>Analytical procedures</b>		
	1. Explain analytical procedures and their various types. 2. Discuss factors to be considered when using analytical procedures as substantive procedures. 3. Discuss the importance of analytical procedures at the planning stage and when forming an overall conclusion / at the end of the audit. 4. Interpret accounting ratios along with audit risk.	P2	T2

Syllabus Ref.	Learning Outcomes	Proficiency Level	Testing Level
<b>iv.</b>	<b>Audit Sampling</b>		
	<ol style="list-style-type: none"> <li>1. Explain audit sampling and its purpose.</li> <li>2. Explain the concept of 100% testing and selection technique including factors to be considered in this regard.</li> <li>3. Discuss methods of sampling (Statistical and non-statistical).</li> <li>4. Explain the concept of sampling risk and non-sampling risk.</li> <li>5. Explain the concept of Stratification.</li> <li>6. Discuss the concept of misstatement and rate of deviation including expected and tolerated.</li> <li>7. State the audit procedures to be performed on the selected sample.</li> <li>8. Discuss the concept of projecting misstatement and evaluating the results of audit sampling.</li> </ol>	P1	T1
<b>v.</b>	<b>Subsequent Events</b>		
	<ol style="list-style-type: none"> <li>1. Explain requirements related to subsequent events and the auditor's responses.</li> <li>2. Describe the auditor's responsibility in respect of the following situations: <ul style="list-style-type: none"> <li>- Events occurring between the date of the financial statements and the date of the auditor's report.</li> <li>- Facts that become known to the auditor after the date of the auditor's report but before the date the financial statements are issued.</li> <li>- Facts that become known to the auditor after the financial statements have been issued.</li> </ul> </li> </ol>	P2	T2
<b>vi.</b>	<b>Going Concern</b>		
	<ol style="list-style-type: none"> <li>1. Discuss the concept of going concern assumption.</li> <li>2. Discuss the responsibility of management and external auditors with respect to going concern.</li> <li>3. Explain potential indicators that an entity is not a going concern.</li> <li>4. Discuss the procedures to be applied in performing going concern reviews and additional procedures when events or conditions are identified.</li> <li>5. Explain the impact on the audit report in the case of going concern.</li> </ol>	P2	T2
<b>vii.</b>	<b>Written Representation</b>		
	<ol style="list-style-type: none"> <li>1. Explain written representation.</li> <li>2. Discuss the course of action when there is a doubt as to the reliability of written representation.</li> <li>3. Discuss the course of action in the event when management does not provide the requested written representation.</li> <li>4. Explain the impact on the audit report in the case there is a doubt about the reliability of written representation and when such is not provided by the management.</li> </ol>	P2	T2
<b>viii.</b>	<b>Substantive Procedures</b>		
	<ol style="list-style-type: none"> <li>1. Explain the audit procedures to verify: <ul style="list-style-type: none"> <li>- Profit and loss items (Sales, Purchases, payroll expense, Bad debt expense)</li> </ul> </li> </ol>	P2	T2

Syllabus Ref.	Learning Outcomes	Proficiency Level	Testing Level
	<ul style="list-style-type: none"> <li>- Balance Sheet Items (Cash in hand, Cash at Bank, Tangible and Intangible Fixed Assets, Debtors, Trade Payables, Inventory, Long term loan, Various types of provisions)</li> <li>- litigation and claims</li> <li>- segment information</li> </ul> <p>2. Explain the audit procedures for relevant and specific financial statement assertions.</p>		
<b>ix.</b>	<b>Internal Control and Test of Controls</b>		
	<ol style="list-style-type: none"> <li>1. Explain internal control and its components.</li> <li>2. Discuss the objectives and limitation of an accounting and internal control system.</li> <li>3. Discuss how the internal control system is documented through various methods.</li> <li>4. Discuss the concept of Walkthrough Test and the difference between Walk through Test and Test of Controls.</li> <li>5. Discuss internal controls of a small company/entity.</li> <li>6. Explain the risk, controls and test of controls to be performed on major transition cycles (Sales system, purchase system, inventory system, bank and cash system, payroll system and revenue and capital expenditure system).</li> </ol>	P2	T2
<b>x.</b>	<b>Using the work of others</b>		
	<ol style="list-style-type: none"> <li>1. Discuss the concepts and functions of the internal audit department.</li> <li>2. Explain the difference b/w the external audit and internal audit.</li> <li>3. Explain how the work of internal auditors is evaluated and direct assistance of internal auditors is used.</li> <li>4. Explain areas where an auditor's expert can be used by the external auditor.</li> <li>5. Explain factors to evaluate the competence, capability and objectivity of the auditor's expert.</li> <li>6. Explain how the adequacy of the auditor's expert's work can be evaluated.</li> <li>7. Explain how reference to the Auditor's expert is made in the auditors' report.</li> </ol>	P2	T2
<b>xi.</b>	<b>Related Party</b>		
	<ol style="list-style-type: none"> <li>1. Describe the term related party using simple examples.</li> <li>2. Discuss how related party transactions can give rise to the risk of material misstatement using simple examples.</li> <li>3. Describe the audit procedures including risk assessment procedures and related activities to obtain information relevant to identifying the related party relationships and transactions including responses to the assessed risk of material misstatement.</li> </ol>	P2	T2
<b>xii.</b>	<b>Computer Assisted Audit Techniques and General &amp; Applicable IT Controls</b>		
	<ol style="list-style-type: none"> <li>1. Explain the concept of Computer Assisted Audit Techniques, Test Data and Audit Software and their advantages and disadvantages.</li> <li>2. Describe general I.T controls and Application I.T controls.</li> </ol>	P2	T2

Syllabus Ref.	Learning Outcomes	Proficiency Level	Testing Level
<b>d</b>	<b>Conclusions and Reporting</b>		
<b>i.</b>	<b>External Audit Report</b>		
	1. Discuss the concept of unmodified and modified opinions. 2. Discuss the contents of an audit report.	P1	T2
	3. Discuss additional reporting responsibilities. 4. Discuss the format and content of key audit matters (KAM), emphasis of matter paragraph (EOMP) and other matter paragraph (OMP). 5. Discuss the relationship of KAM with other content of audit report. 6. Discuss circumstances where EOMP and OMP are/may be necessary. 7. Discuss the relationship of EOMP and OMP with other content of audit report. 8. Discuss the impact on the audit report via various types of opinions in scenario-based questions.	P2	T2
<b>ii.</b>	<b>Engagement to Review Financial Statements</b>		
	1. Discuss the concept and scope of a review engagement. 2. Explain Difference b/w audit and review engagement. 3. Discuss the procedures to be performed by the practitioner in the case of a review engagement.	P1	T1
<b>B</b>	<b>Taxation</b>		
<b>a</b>	<b>Objective, System and Historical Background, Constitutional Provisions and Ethics</b>		
<b>i.</b>	<b>Basic Concepts of taxation and Constitutional Provisions</b>		
1	Discuss the implication of direct and indirect taxation.	P1	T1
<b>ii.</b>	<b>Federal and Provincial Financial Procedures</b>		
1	Describe Federal Consolidated Fund and Public Account.	P1	T1
2	Describe Provincial Consolidated Fund and Public Account.	P1	T1
3	Explain the provisions related to the distribution of revenues between the Federation and Provinces.	P1	T1
4	Discuss taxes that can be raised under the authority of Parliament.	P1	T1
5	Describe the powers of provincial assemblies in respect of provincial taxes.	P1	T1
<b>iii.</b>	<b>Ethics</b>		
1	Discuss the objectives and rights of the state to tax its citizens.	P1	T1
2	Discuss morality behind compliance with tax laws by taxpayers and tax practitioners.	P2	T1
3	Describe the powers vs ethical responsibilities of tax implementation authorities	P2	T1
4	Discuss pillars of tax administration, namely; fairness, transparency, equity and accountability.	P2	T1
5	Explain the basic difference between evasion and avoidance of tax.	P1	T1

Syllabus Ref.	Learning Outcomes	Proficiency Level	Testing Level
<b>b</b>	<b>Income Tax Laws</b>		
<b>i.</b>	<b>Central Concepts</b>		
1	Describe the central concepts and scope of income	P2	T2
<b>ii.</b>	<b>Chargeability and Computation of Income and Tax</b>		
1	Compute income, taxable income and tax thereon under various heads of income for non-corporates i.e. salary, income from property, income from business, capital gains and income from other sources.	P2	T2
2	Apply the provisions relating to carry forward, deductible allowances, set-off of losses, tax credit and tax exemptions/concessions.	P2	T2
<b>iii.</b>	<b>Procedural Aspects: Returns, Assessments, Appeals and Records</b>		
1	Explain tax compliance requirements and related submissions	P2	T2
2	Identify persons required to furnish a return of income and wealth statement.	P2	T2
3	Explain the provisions of law relating to the method of filing, revision, due dates for filing and extension in the date for filing of return/statement.	P2	T2
4	Prepare return of income and wealth statement along with its reconciliation.	P2	T2
5	Communicate with Inland Revenue Authorities (filing applications, representations and extensions).	P2	T2
6	Explain the provisions of law relating to various types of assessment.	P2	T2
7	Discuss the provisions of law relating to maintenance of records and audit of income tax affairs of a person.	P2	T2
8	Describe procedure involved in appeals before various appellate authorities i.e. Commissioner (Appeals), Appellate Tribunal, High Court and Supreme Court.	P2	T2
9	State provisions of law relating to alternative dispute resolution.	P2	T2
<b>c</b>	<b>Sales Tax Laws</b>		
<b>i.</b>	<b>Scope and Payment of Tax</b>		
1	Calculate sales tax (output and input) on taxable supplies (including zero-rated and exempt supplies).	P2	T2
2	Discuss the time and manner of sales tax liability and its payment.	P2	T2
3	Calculate apportionment of input tax and carry forward/refund thereof.	P2	T2
<b>ii.</b>	<b>Registration</b>		
1	Describe the types, requirements and procedures involved for registration, de-registration and returns.	P2	T2
<b>iii.</b>	<b>Book Keeping and Invoicing Requirements</b>		
1	List the records to be kept by a registered person and explain the related retention requirements and procedures involved in the audit.	P2	T2
2	State the significance of tax invoice, debit and credit notes and their related requirements.	P1	T1
3	Explain the procedure for the destruction of goods.	P2	T2

## HANDS-ON COURSE ON PRESENTATION AND PERSONAL EFFECTIVENESS

Competency
Improved presentation and personal effectiveness through critical evaluation of information.

**\*Length of the Course:** Minimum 70 hours

Syllabus Ref	Contents	Proficiency Level
<b>A</b>	<b>Professional Skepticism and Professional Judgments</b>	
1	Apply a questioning mind when assessing data and information received.	P3
2	Apply curiosity by exploring beyond what is immediately apparent.	P3
3	Identify inconsistencies and contradictions in representations.	P3
4	Identify personal and organizational biases.	P3
5	Apply critical thinking when identifying and evaluating alternatives to determine an appropriate course of action.	P3
6	Exercise professional judgement.	P3
<b>B</b>	<b>Interpersonal and Communication Skills</b>	
1	Apply self-esteem enhancement techniques while communicating.	P3
2	Apply emotional intelligence techniques.	P3
3	Apply active listening skills and interviewing techniques.	P3
4	Communicate clearly, concisely and objectively using appropriate non-verbal aspects.	P3
5	Apply negotiation and consultative skills to present solutions or arguments.	P3
6	Apply time management skills to evaluate, present and negotiate ideas effectively.	P3
7	Apply collaboration, cooperation and teamwork.	P3
8	Identify cultural and language differences in all communication.	P3

### Specific Examinable Professional Skills

1	Evaluate data and information from a variety of sources and perspectives through research, integration, and analysis.
2	Respond effectively to changing circumstances or new information to solve problems, inform judgements, make decisions, and reach well-reasoned conclusions.
3	Apply collaboration, cooperation and teamwork when working towards organizational goals
4	Communicate clearly and concisely when presenting, discussing and reporting in formal and informal situations.
5	Identify cultural and language differences in all communication.
6	Apply active listening and effective interviewing techniques.

\*363<sup>rd</sup> Council Meeting dated December 8-9, 2022.

7	Apply negotiation skills to reach solutions and agreements.
8	Apply consultative skills to minimize or resolve conflict, solve problems, and maximize opportunities.
9	Present ideas and influence others to provide support and commitment.

#### **Specific Examinable Professional Values and Ethics**

1	Apply an inquiring mind when collecting and assessing data and information.
2	Apply techniques to reduce bias, when solving problems, informing judgements, making decisions and reaching well-reasoned conclusions.
3	Apply critical thinking when identifying and evaluating alternatives to determine an appropriate course of action.
4	Apply ethical principles of ethics when collecting, generating, storing, accessing, using and sharing data and information.

#### **Specific Examinable Knowledge Reference**

1	Mind Maps, Fishbone Diagrams and Affinity Diagrams
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#### **Key Examinable Activities**

1	Monologue
2	Declamation
3	Role plays
4	Presentations
5	Group discussions
6	Job Interviews
7	Feedback

## HANDS-ON COURSE ON MS OFFICE

Competency
Apply skillsets using MS Office tools to drive productivity and professionally present information at workplace.

Syllabus Ref.	Grid	Minimum Coaching hours	Weightage
A	MS Word	20	25-35
B	MS Excel	30	35-45
C	MS PowerPoint	20	25-35
	<b>Total</b>	<b>70</b>	<b>100</b>

Syllabus Ref.	Contents	Proficiency Level
<b>A</b>	<b>Microsoft word</b>	
1	Navigate and perform common tasks in Word, such as opening, viewing, editing, saving, and printing documents.	P2
2	Format text and paragraphs, perform repetitive operations efficiently using tools such as Find and Replace, Format Painter, and Styles.	P2
3	Create and format tables, insert graphic objects into a document, including symbols, special characters, illustrations, pictures, and clip art.	P2
4	Format the overall appearance of a page through page borders and colors, watermarks, headers and footers, and page layout.	P2
5	Use Word features to help identify and correct problems with spelling, grammar, readability, and accessibility.	P2
6	Use Mail Merge feature to create letters, envelopes, directory etc.	P2
7	Insert and modify bibliography, endnotes, footnotes, captions, comments & cross references.	P2
8	Use various Word features to present letters, reports and other documents in a presentable custom style.	P2
<b>B</b>	<b>Microsoft Excel</b>	
1	Discuss the layout, features, commands and terminologies.	P2
2	Format worksheet and organize data.	P2
3	Apply security to Files, Workbooks and Worksheets.	P2
4	Create and manage tables. Apply format, style, filter and sort etc.	P2
5	Use advance filtering options and familiarize with filtering unique records, multiple criteria-based filtering, and dynamic filtering.	P2
6	Construct formulae using functions (Mathematical, Statistical, Financial, Date / Time, Text, Information. Logical, Lookup and Reference), cell references, constants and operators.	P2
7	Analyze data, visualize data with charts.	P2



8	Prepare and analyze data for PivotTable reporting and create PivotTables from various data sources. Work with Pivot Charts.	P2
9	Create Dashboards using tables, charts, pivot tables and slicers.	P2
10	Discuss Power Pivot, create the data model and import data into Power Pivot.	P2
11	Use calculations in Power Pivot.	P2
<b>C</b>	<b>Microsoft Power point</b>	
1	Identify the basic features and functions of PowerPoint.	P2
2	Discuss basics of slides, populate content, apply themes and transitions.	P2
3	Insert, format, align, order, group and animate the text, pictures, shapes and other objects.	P2
4	Insert and format tables, charts, SmartArt graphics and media.	P2
5	Create and manage presentations by formatting and modifying Master slide and use multiple master slides.	P2
6	Apply slide transitions and animations. Using various effects setting up the timing for transition and animations.	P2
7	Merge contents from various presentations keeping source or destination formatting.	P2
8	Prepare to deliver your presentation. Use printing Notes Pages, Handouts and Slides for PowerPoint.	P2

#### Key Examinable Professional Skills

1	Evaluate data and information from a variety of sources and perspectives through research, integration, and analysis.
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#### Key Examinable Professional Values, Ethics and Attitude

1	Apply an inquiring mind when collecting and assessing data and information.
2	Apply critical thinking when identifying and evaluating alternatives to determine an appropriate course of action.
3	Apply fundamental principles of ethics when collecting, generating, storing, accessing, using, or sharing data and information.
4	Ability to work with sensitive information in an ethical and secure manner.
5	Ability to adapt to changes in technology.
6	Willingness to continuously learn and improve skills.

#### Specific Examinable Knowledge Reference

1	Knowledge of best practices and industry standards for using MS Office.
2	Format, style, security
3	Sort, filter, advance filter, find, replace data as required
4	Print, save, edit, review, collaboration
5	Layout, view, table tools, smart art and media

6	<p>MS Excel functions as provided below:</p> <p>a) <b>Mathematical functions</b> [SUM, SUMIF, SUMIFS, SUBTOTAL, TRUNC, ABS, ROUND, ROUNDDOWN, ROUNDUP, FLOOR, CEILING, RAND, RANDBETWEEN, SEQUENCE (365)]</p> <p>b) <b>Statistical functions</b> [AVERAGE, COUNT, COUNTA, COUNTIF, COUNTIFS, COUNTBLANK, MAX, MIN]</p> <p>c) <b>Date / Time Functions</b> [DATE, NOW, TODAY, DAY, MONTH, YEAR, WEEKNUM, EOMONTH, EDATE, WEEKDAYS, WEEKEND]</p> <p>d) <b>Financial functions</b> [NPV, IRR, PMT]</p> <p>e) <b>Text functions</b> [CONCATENATE, LEFT, RIGHT, LEN, LOWER, UPPER, PROPER, TEXT, TEXTJOIN (365), TEXTSPLIT (365), FIXED, TRIM]</p> <p>f) <b>Information functions</b>, [ISERROR, IFERROR, ISBLANK, ISNA, TYPE]</p> <p>g) <b>Logical functions</b> [IF, IFS, AND, OR, NOT, SWITCH]</p> <p><b>Lookup and Reference functions</b> [CHOOSE, LOOKUP, HLOOKUP, VLOOKUP, XLOOKUP (365), INDEX, MATCH, OFFSET, TRANSPOSE, FORMULATEXT]</p>
7	Charts, Pivot Tables, Pivot Charts and Power Pivot including DAX
8	Dashboards
9	Slides transition and animations

## HANDS-ON COURSE ON DATA ANALYTICS AND FINTECH

<b>Competency</b>
Apply enhanced skillset of data management, analysis and business intelligence to respond to the needs of emerging workplace.

	<b>Grid</b>	<b>Minimum Coaching hours</b>	<b>Weightage</b>
A	Financial modeling, forecasting and dashboard reporting using MS. Excel	25	15 – 20
B	Power BI for Data Visualization & Classification	30	30 -40
C	Blockchain	5	5 – 10
D	Python for Data Description and Diagnostics	15	15 – 20
E	Power Automate for Robotics Process Automation	15	15 – 20
	<b>Total</b>	<b>90</b>	<b>100</b>

<b>Syllabus Ref</b>	<b>Contents</b>	<b>Proficiency Level</b>
<b>A</b>	<b>Financial modeling, forecasting and dashboard reporting using MS. Excel</b>	
1	Use database, date, lookup, user define (VBA), conditional and dynamic array functions.	P2
2	Use data validations rules.	P2
3	Use data analysis and modeling tools.	P2
4	Create pivot table.	P2
5	Prepare Dashboards.	P2
6	Make financial models.	P2
<b>B</b>	<b>Power BI</b>	P2
1	Perform Data Extraction, Transformation and Loading (ETL) using Power Query in Power BI.	P2
2	Develop Data insights using Power BI.	P2
3	Perform data visualization techniques using Power BI.	P2
<b>C</b>	<b>Blockchain</b>	
1	Use block explorers to analyze transactions, blocks, NFTs and other information available on the blockchain.	P2
<b>D</b>	<b>Python for Data Description and Diagnostics</b>	
1	Introduction to Python and its libraries.	P1
2	Use Python descriptive and statistical analysis of financial, accounting other business data.	P2
3	Use Python in audit, assurance and related services for evaluating internal controls, gathering evidence and drawing conclusions.	P2
4	Apply statistics tools for predictive modeling using regression and classification analysis.	P2
<b>E</b>	<b>Power Automate for Robotics Process Automation</b>	
1	Use Microsoft Power Automate.	P2
2	Create, execute, share, manage and monitor all the flows.	P2

Syllabus Ref	Contents	Proficiency Level
3	Create flows with conditions, loops, approvals, user input and multiple actions.	P2

### Key Examinable Professional Skills

1	Evaluate data and information from a variety of sources and perspectives through research, integration, and analysis.
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### Key Examinable Professional Values, Ethics and Attitude

1	Apply an inquiring mind when collecting and assessing data and information
2	Apply critical thinking when identifying and evaluating alternatives to determine an appropriate course of action.
3	Apply fundamental principles of ethics when collecting, generating, storing, accessing, using, or sharing data and information.

### Specific Examinable Knowledge Reference

Financial modeling, forecasting and dashboard reporting using MS. Excel	
1	<u>Functions</u> <ul style="list-style-type: none"> <li>Database functions including DSUM, DMIN, DMAX etc.</li> <li>Date functions: NETWORKDAYS, DATEDIF, EDATE etc.</li> <li>Lookup Functions: XLOOKUP, INDEX, MATCH etc.</li> <li>Conditional functions: IF, IFS, SUMIF(S), COUNTIF(S) OFFSET etc.</li> <li>Dynamic array functions: (FILTER, SORT, SORTBY, UNIQUE, SEQUENCE, RANDARRAY)</li> </ul>
2	<u>Data validation</u> <ul style="list-style-type: none"> <li>Restricting access for user to input specific data.</li> <li>Creating/selecting items from a list.</li> </ul>
3	<u>Data analysis and modeling tools</u> <ul style="list-style-type: none"> <li>Excel tables</li> <li>Advance filter (unique list and criteria based)</li> <li>What if analysis (including Goal seek, data tables, scenario manager)</li> </ul>
4	<u>Pivot table</u> <ul style="list-style-type: none"> <li>Add fields to pivot table</li> <li>Adding slicers or timelines</li> <li>Calculated fields and items</li> <li>Data grouping (text/numeric values)</li> <li>Pivot charts</li> <li>PowerPivot and understanding data model and relationships</li> </ul>
5	<u>Dashboards</u> <ul style="list-style-type: none"> <li>Interactive controls to the dashboard</li> <li>Spin button, scroll bar, combo box, list box, check box, option button</li> <li>Charts including (bar chart, line charts, pie charts, doughnut charts, combo charts)</li> <li>Waterfall chart (best for showing incremental data)</li> <li>Speedometer charts</li> <li>Dashboards using pivot tables (Sales dashboard)</li> </ul>

	<ul style="list-style-type: none"> <li>• Dashboards using PowerPivot, KPIs in PowerPivot</li> </ul>
6	<u>Financial modelling</u> <ul style="list-style-type: none"> <li>• Model design and layout</li> <li>• Creating assumptions/inputs</li> <li>• Depreciation/amortization schedule</li> <li>• Cost of sales and SG&amp;A expenses schedule</li> <li>• Working capital schedule</li> <li>• Loan/financing schedule</li> <li>• Comprehensive financial statement projection model including (balance sheet, income statement, statement of changes in equity and cash flow statement)</li> <li>• Linking critical outputs on dashboards</li> <li>• Audit sheet</li> <li>• Time series analysis</li> <li>• Sensitivity analysis (including scenario modeling)</li> </ul>
<b>Power Bi</b>	
1	<u>Overview of Power BI</u> <ul style="list-style-type: none"> <li>• Key components and their roles</li> <li>• Installing and setting up Power BI Desktop</li> </ul>
2	<u>Power BI Desktop Basics</u> <ul style="list-style-type: none"> <li>• Connecting to data sources (Excel, databases, online services)</li> <li>• Transforming and cleaning data with Power Query</li> <li>• Data loading and data model basics</li> </ul>
3	<u>Data Modeling in Power BI</u> <ul style="list-style-type: none"> <li>• Understanding normalized and de-normalized data</li> <li>• Create relationships among fact tables and dimension tables</li> <li>• Creating calculated columns and measures with DAX (Data Analysis Expressions)</li> </ul>
4	<u>Building Reports in Power BI Desktop</u> <ul style="list-style-type: none"> <li>• Creating visuals (tables, charts, maps etc.)</li> <li>• Formatting and customizing visuals</li> <li>• Working with slicers and filters</li> <li>• Introduction to themes and report design best practices</li> </ul>
5	<u>Power BI Service Overview</u> <ul style="list-style-type: none"> <li>• Introduction to Power BI Service</li> <li>• Uploading and sharing reports</li> <li>• Creating dashboards</li> </ul>
6	<u>Advanced Data Transformations with Power Query</u> <ul style="list-style-type: none"> <li>• Importing, summarizing, cleaning data</li> <li>• Removing unwanted rows/columns</li> <li>• Dates, numbers, text transformations</li> <li>• Merging queries and append queries</li> <li>• Unpivot columns, pivot columns,</li> <li>• GroupBy,</li> <li>• Conditional columns, Custom columns etc.</li> </ul>
7	<u>Advanced Data Modeling and DAX</u> <ul style="list-style-type: none"> <li>• Time intelligence functions in DAX including (MTD, QTD, YTD calculations, comparisons over periods etc.)</li> <li>• Advanced DAX calculations (including Calculate function, Filter functions, Iterator functions, Logical functions, text functions, table manipulation functions etc.)</li> </ul>

	<ul style="list-style-type: none"> <li>Handling errors and exceptions in DAX</li> </ul>
8	<u>Advanced Visualizations and other tools</u> <ul style="list-style-type: none"> <li>Custom visuals and marketplace</li> <li>Advanced formatting and design techniques</li> <li>Bookmarks</li> <li>Field parameters</li> <li>Conditional formatting</li> <li>Drill through</li> <li>Calculation groups</li> <li>Tooltips</li> </ul>
9	<u>Power BI Service Advanced Features</u> <ul style="list-style-type: none"> <li>Publish a report on power bi service; create dashboards,</li> <li>Mobile layout,</li> <li>Setting up Row Level Security (RLS),</li> <li>Adding comments to a Power BI report,</li> <li>Use Q&amp;A on a dashboard/report in the Power BI service</li> </ul>
<b>Blockchain</b>	
1	Features of blockchain technology and its commercial use cases
2	Common types of blockchain technology and how they are used
3	Applications of distributed ledger technology (DLT) and smart contracts
4	Public and private uses of DLTs and smart contracts
5	Use of blockchain in enterprise
6	Distributed systems and alternative consensus
7	Cryptography and SHA256 algorithm
8	Crypto currency, crypto economics and proof-of-stake
9	Block explorers to explore public data on blockchain: blockchain.com, tokenview.io, coinmarketcap.com, etherscan.io
<b>Python</b>	
1	<u>Python and its libraries / packages</u> <ul style="list-style-type: none"> <li>Numpy</li> <li>Pandas</li> </ul>
2	Python for descriptive and statistical analysis of business data (mean or average, median, quartile, maximum, minimum, range, variance, and standard deviation)
3	Plots, graphs, tables using python and its libraries / packages
4	Correlation, Hypothesis Testing
5	Gartner's Model (Descriptive, diagnostics, predictive and prescriptive analytics)
6	Predictive modeling to analyze financial Statements: Regression, clustering, and classification analysis
7	Python in audit, assurance, and related services for evaluating internal controls and gathering evidence
8	Manipulate and Visualize Data with Python libraries / packages
9	Data Extract, Transform, and Load (ETL) using Python
10	Market Basket Analysis (MBA)
11	Data Analytics Cases on:
	Consumer Demand, Pricing and Revenues
	Customer Value, Segmentation and Share of Wallet

	Product Profitability and Channel Optimization
	Supply Chain Optimization
	Predictive Maintenance
	Operational Efficiency
	Fraud and Risk Assessment
	Business Portfolio Assessment
	Business Valuation Metrics
<b>Power Automate</b>	
1	Flows: sending an email, responding to an email, creating MS Excel files from documents saved in MS Word
2	Troubleshoot flows
3	Recurring flows
4	Incoming emails
5	Variables
6	Data types, input and output variables, variable manipulation and sensitive variables.
7	Connectors
8	UI Flows

## PROFESSIONAL VALUES, ETHICS AND ATTITUDE (PVEA)

<b>Competency</b>
Apply professional values, ethics and attitude in accordance with the requirements of International Education Standards issued by IAESB of IFAC.

<b>Syllabus Ref</b>	<b>Contents</b>
<b>A</b>	<b>Part I Understanding Ethics and Human Behaviours</b>
1.	Explain the nature of ethics
2.	Explain the advantages and disadvantages of rules-based and principles-based approaches to ethics
3.	Explain the role of ethics in relation to business and good governance
4.	Explain the role of ethics within the profession and in relation to the concept of social responsibility
5.	Explain the different models of ethical decision making
<b>B</b>	<b>Part II Understanding Models of Ethical Decision making</b>
1.	Apply the fundamental ethical principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior to ethical dilemmas and determine an appropriate resolution
2.	Apply the relevant ethical requirements to professional behavior and compliance with standards
3.	Analyze the interrelationship of ethics and law, including the relationship between laws, regulations, and the public interest
4.	Analyze the consequences of unethical behavior to the individual, to the profession, and to society at large
<b>C</b>	<b>Part III Reflective Activities</b>
1.	Exercise professional judgment
2.	Act in an ethical manner that is in the public interest



**CFAP-1: ADVANCED ACCOUNTING AND FINANCIAL REPORTING**

Competency
Prepare, analyze, and report relevant and faithfully represented financial information.

Syllabus Ref	*Grid	Learning hours	Weightage
A	Consolidated Financial statements	45-50	20-30
B	Financial Reporting-Financial instruments	40-45	20-30
C	Financial Reporting-Others	45-50	30-40
D	Specialized Financial Statements and Areas and Ethics	25-35	10-15
	<b>Total</b>	<b>155-180</b>	<b>100</b>

**Key Examinable Technical Competencies**

Syllabus Ref	Learning Outcomes	Proficiency Level	Testing Level
<b>A</b>	<b>Consolidated Financial Statements</b>		
1	Apply the principles, laws and concepts with respect to the preparation and presentation of Consolidated Financial Statements.	P3	T3
<b>B</b>	<b>Financial Reporting-Financial instruments</b>		
1	Apply International Financial Reporting Standards (IFRSs) including appropriateness of accounting policies used to prepare financial statements to: <ul style="list-style-type: none"> <li>a. Financial instruments</li> <li>b. Fair Value Measurement</li> <li>c. Impairment of Assets</li> <li>d. The Effects of Changes in Foreign Exchange Rates</li> </ul>	P3	T2
<b>C</b>	<b>Financial Reporting-Others</b>		
1	Apply International Financial Reporting Standards (IFRSs) including appropriateness of accounting policies used to prepare financial statements to: <ul style="list-style-type: none"> <li>a. Employees benefits</li> <li>b. Share-based Payment</li> <li>c. Non-current Assets Held for Sale and Discontinued Operations</li> <li>d. Revenue from Contracts with Customers</li> <li>e. Leases</li> <li>f. Income Taxes</li> <li>g. Related Party Disclosures</li> <li>h. Interim Financial Reporting</li> </ul>	P2	T2

\*363<sup>rd</sup> Council Meeting held on December 8-9, 2022.

<b>D</b>	<b>Specialized Financial statements and Areas</b>		
1	Apply the principles, laws and concepts with respect to preparation and presentation of disclosures of the following: <ol style="list-style-type: none"> <li>Small and medium-sized entities</li> <li>Banks</li> <li>Mutual funds</li> <li>Insurance companies</li> </ol>	P1	T1
2	Account for and report retirement benefit plans.	P1	T1
3	Apply the IFRSs on: <ol style="list-style-type: none"> <li>First-time Adoption of International Financial Reporting Standards</li> <li>Insurance Contracts</li> <li>Exploration for and evaluation of Mineral Resources</li> <li>Regulatory Deferral Accounts</li> <li>Financial Reporting in Hyperinflationary Economies</li> </ol>	P2	T1
4	State overview of Islamic Accounting Standard issued by ICAP.	P1	T1
5	State overview of IPSASs and The Conceptual Framework for General Purpose Financial Reporting by Public Sector, Presentation of Financial Statements and Financial Reporting Under the Cash Basis of Accounting.	P1	T1
<b>E</b>	<b>Ethics</b>		
1	Apply the requirements of code of ethics for professional accountants working in business.	P3	T2

#### **Key Examinable Professional Skills**

1	Evaluate data and information from a variety of sources and perspectives through research, integration, and analysis.
2	Identify when it is appropriate to consult with specialists.
3	Communicate clearly and concisely when presenting, discussing and reporting in formal and informal situations.
4	Respond effectively to changing circumstances or new information to solve problems, inform judgements, make decisions, and reach well-reasoned conclusions.

#### **Key Examinable Professional Values, Ethics and Attitude**

1	Apply an inquiring mind when collecting and assessing data and information.
2	Apply techniques to reduce bias, when solving problems, informing judgements, making decisions and reaching well-reasoned conclusions.
3	Apply critical thinking when identifying and evaluating alternatives to determine an appropriate course of action.
4	Evaluate the significance of threats to compliance with the fundamental principles of ethics and respond appropriately
5	Analyze the consequences of unethical behavior to the individual, the profession, and the public.

**Specific Examinable Knowledge Reference**

<b>A</b>	<b>Consolidated Financial statements</b>
1	IFRS 3 Business Combinations
2	IFRS 10 Consolidated Financial Statements
3	IFRS 11 Joint Arrangements
4	IFRS 12 Disclosure of Interests in Other Entities
5	IAS 7 Preparation of statement of cash flows (only Consolidated)
6	IAS 27 Separate Financial Statements
7	IAS 28 Investments in Associates and Joint Ventures
<b>B</b>	<b>Financial reporting-Financial instruments</b>
1	IFRS 7 Financial Instruments: Disclosures
2	IFRS 9 Financial Instruments (including IFRIC 16 & 19)
3	IFRS 13 Fair Value Measurement
4	IAS 21 The Effects of Changes in Foreign Exchange Rates (including IFRIC 22)
5	IAS 32 Financial Instruments: Presentation
6	IAS 36 Impairment of Assets
<b>C</b>	<b>Financial reporting-Others</b>
1	IFRS 2 Share-based Payment
2	IAS 19 Employee Benefits (including IFRIC 14)
3	IFRS 5 Non-current Assets Held for Sale and Discontinued Operations
4	IFRS 15 Revenue From Contracts with Customers
5	IFRS 16 Leases
6	IAS 12 Income Taxes (including SIC 25)
7	IAS 24 Related Party Disclosures
8	IAS 34 Interim Financial Reporting (including IFRIC 10)
<b>D</b>	<b>Specialized financial statements and areas</b>
1	IAS 26 Accounting and Reporting by Retirement Benefit Plans
2	<ul style="list-style-type: none"> <li>• IFRS 1 First-time Adoption of International Financial Reporting Standards</li> <li>• IFRS 17 Insurance Contracts</li> <li>• IFRS 6 Exploration for and evaluation of Mineral Resources</li> <li>• IFRS 14 Regulatory Deferral Accounts</li> <li>• IAS 29 Financial Reporting in Hyperinflationary Economies (including IFRIC 7)</li> </ul>
3	Islamic Accounting Standard issued by ICAP
4	<ul style="list-style-type: none"> <li>• IPSAS 1 Presentation of Financial Statements</li> <li>• IPSAS Financial Reporting under the Cash Basis of Accounting</li> </ul>
<b>E</b>	<b>Ethics</b>
1	Code of Ethics for Chartered Accountants (Revised 2019) (Part 1 and Part 2)

**CFAP-2: ADVANCED CORPORATE LAWS AND PRACTICES**

<b>Competency</b>
Advise on matters relating to compliance with corporate laws.

Syllabus Ref	Grid	Learning hours	Weightage
A	Secretarial Practices	80-85	35-45
B	Mediation, Arbitration, Mismanagement, Restructuring and Rehabilitation	25-35	10-15
C	Specialized Corporate Laws	15-20	10-15
D	Other Relevant Laws	35-40	30-40
	<b>Total</b>	<b>155-180</b>	<b>100</b>

**Key Examinable Technical Competencies**

Syllabus Ref	Contents	Proficiency Level	Testing Level
<b>A</b>	<b>Secretarial Practices</b>		
1	Advise on compliance with general law governing companies.	P3	T3
2	Advise on compliance with general law governing the issuance of securities by companies.	P2	T2
3	Apply specific laws governing listed companies.	P3	T2
4	Explain laws relating to the selection of independent directors.	P3	T2
5	Prepare a notice of the meetings, ordinary resolutions, special resolutions and minutes.	P2	T2
<b>B</b>	<b>Mediation, Arbitration, Mismanagement, Restructuring and Rehabilitation</b>		
1	Explain laws relating to mediation, arbitration and prevention of oppression & mismanagement.	P2	T2
2	Apply specific laws governing the restructuring and rehabilitation of companies.	P2	T2
<b>C</b>	<b>Specialized Corporate Laws</b>		
1	Advise specific laws governing non-banking finance companies.	P3	T2
2	Apply specific laws governing insurance companies.	P2	T2
3	Apply specific laws governing banking companies.	P2	T2
<b>D</b>	<b>Other Relevant Laws</b>		
1	Explain laws governing foreign exchange transactions.	P2	T2
2	Explain laws relating to free competition.	P2	T2
3	Explain laws relating to anti-money laundering and terror financing.	P2	T2
4	Advise on the laws relating to corporate governance of companies and ethics.	P3	T3

Syllabus Ref	Contents	Proficiency Level	Testing Level
5	Explain laws relating to payment systems & electronic fund transfers.	P2	T2
6	Explain the requirements of the Code of Ethics for Chartered Accountants.	P2	T2

### Key Examinable Professional Skills

1	Evaluate data and information from a variety of sources and perspectives through research, integration, and analysis.
2	Respond effectively to changing circumstances or new information to solve problems, inform judgements, make decisions, and reach well-reasoned conclusions.
3	Identify when it is appropriate to consult with specialists.
4	Communicate clearly and concisely when presenting, discussing and reporting in formal and informal situations.

### Key Examinable Professional Values, Ethics and Attitude

1	Apply an inquiring mind when collecting and assessing data and information.
2	Apply techniques to reduce bias, when solving problems, informing judgements, making decisions and reaching well-reasoned conclusions.
3	Apply critical thinking when identifying and evaluating alternatives to determine an appropriate course of action.
4	Evaluate the significance of threats to compliance with the fundamental principles of ethics and respond appropriately.
5	Analyze the consequences of unethical behavior to the individual, the profession, and the public.
6	Apply the relevant ethical requirements to professional behavior in compliance with standards.

### Specific Examinable Knowledge Reference

A	Secretarial Practices
1.1	Companies Act, 2017 Sections: 1 to 275, 293 to 302, 304 to 306, 312 to 396, 406 to 468, 471 to 473, 498, 500, 505
1.2	First and Second Schedules of the Companies Act, 2017
1.3	Companies (Postal Ballot) Regulations, 2018
1.4	Companies (General Provisions & Forms) Regulations, 2018 - Regulations: 8 to 30
1.5	Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017
1.6	Employees Contributory Fund (Investment in Listed Securities) Regulations 2018
1.7	Companies (Related Party Transactions & Maintenance of Related Records) Regulations, 2018 - Regulations: 3 to 6
1.8	Companies (Distribution of Dividends) Regulations, 2017
1.9	Companies (Incorporation) Regulations, 2017 Regulations: 2 to 10 & 15
2.1	Private Placement of Securities Rules, 2017 - Rules 4 to 6
2.2	Companies (Further Issue of Shares), Regulation 2020

3.1	Securities Act 2015 Sections: (2, 63 to 65, and 87 to 131) and Relevant Rules and Regulations made thereunder
3.2	Pakistan Stock Exchange Rule Book (Chapter 5)
3.3	Listed Companies (Buy- Back of Shares) Regulations, 2019
3.4	Listed Companies (Substantial Acquisition of voting shares and Takeovers) Regulations, 2017
3.5	Public Offering Regulations 2017
3.6	Companies (Manner and Selection of Independent Directors Regulations, 2018)
<b>B</b>	<b>Mediation, Arbitration, Mismanagement, Restructuring and Rehabilitation</b>
1.1	Companies Act, 2017 Sections: 276 to 292
2.1	Corporate Restructuring Companies Act, 2016 (Sections: 1 to 6)
2.2	Corporate Rehabilitation Act, 2018 (Chapter: I and II)
2.3	Corporate Restructuring Companies Rules, 2019
2.4	Corporate Rehabilitation Regulations, 2019
<b>C</b>	<b>Specialized Corporate Laws</b>
1.1	Companies Ordinance, 1984 (Section 282A to 282N)
1.2	NBFC (Establishment and Regulation) Rules, 2003- Rules 1 to 7
1.3	The Non-banking Finance Companies and Notified Entities Regulations, 2008 (Regulation 2, 3, 9, 10, 15B, 16-18, and 25)
2.1	Insurance Ordinance, 2000 <ul style="list-style-type: none"> <li>• Part I (Sections 1 to 4)</li> <li>• Part II (Sections 5 to 13)</li> <li>• Part III (Section 14)</li> <li>• Part IV (Section 28)</li> <li>• Part V (Sections 35, 36)</li> <li>• Part VII (Sections 45 to 48)</li> </ul>
3.1	The Banking Companies Ordinance, 1962 <ul style="list-style-type: none"> <li>• Part I (Sections 1, 2, 5 &amp; 6)</li> <li>• Part II (Sections 9, 11, 13 to 19, 21, 22, 24, 29, 34 to 38)</li> </ul>
<b>D</b>	<b>Other Relevant Laws</b>
1.1	Foreign Exchange Manual of State Bank of Pakistan (Chapter 19 and 20)
2.1	Competition Act, 2010 (Chapter I and II)
3.1	Anti-money Laundering Act, 2010 and Securities and Exchange Commission of Pakistan (Anti-money Laundering and Counter Financing of Terrorism) Regulations, 2020 (Chapter 1 and 2)
4.1	Listed Companies (Code of Corporate Governance) Regulations, 2019 and Public Sector Companies (Corporate Governance) Rules, 2013
5.1	Payment Systems and Electronic Fund Transfers Act, 2007 Sections 2, 4, 5, 8, 14, 18
6.1	ICAP Code of Ethics for Chartered Accountants (Revised 2019) (Part I and II)

Note: All Annexures, Appendix, Forms, Schedule, Table etc. given in any act, manual, rule, regulation, rule book etc. are excluded from syllabus unless otherwise specifically included.

### CFAP-3: STRATEGY AND PERFORMANCE MEASUREMENT

Competency
Apply technical knowledge and skills in strategic management decision-making and formulating and implementing organizational strategies.

Grid		Teaching hours	Weightage
A	Formulation and Implementation of Strategy	45-50	25-30
B	Strategy and Management of Information Technology	25-30	10-15
C	Strategic Marketing, Supply Chain and Human Resource Management	35-40	25-30
D	Performance Measurement	35-40	15-25
E	Ethics	15-20	10-15
<b>Total</b>		<b>155-180</b>	<b>100</b>

#### Key Examinable Technical Competencies

Syllabus Ref	Learning Outcomes	Proficiency Level	Testing Level
<b>A</b>	<b>Formulation and Implementation of Strategy</b>		
1	Formulate corporate strategy including venture capital firms and startups strategies using internal and external factors and identifying and evaluating strategic choices.	P3	T2
2	Recommend policies, resource allocation, controls, change management for implementing the corporate strategy.	P3	T2
<b>B</b>	<b>Strategy and Management of Information Technology</b>		
1	Recommend business process automation to enhance the efficiency and effectiveness of business operations	P2	T2
2	Explain how Information and Communication Technology (ICT) supports data analysis and decision making.	P2	T2
3	Explain how ICT supports the identification, reporting, and management of risk in an organization, including cyber security issues.	P2	T2
4	Recommend on adequacy and improvements in ICT processes and controls.	P2	T2
<b>C</b>	<b>Strategic Marketing, Supply Chain and Human Resource Management</b>		
1	Formulate marketing strategies using qualitative and quantitative marketing techniques.	P3	T2
2	Advise on development, promotion and management of brand.	P3	T2
3	Apply supply chain management to create value for organization.	P3	T2
4	Advise on talent acquisition, development and retention policies and processes.	P3	T2

Syllabus Ref	Learning Outcomes	Proficiency Level	Testing Level
5	Explain the role of human resource in the implementation of corporate strategies.	P2	T2
6	Explain how organizational behavior enhances the performance of the individual, team, and organization.	P2	T2
<b>D</b>	<b>Performance Measurement</b>		
1	Interpret financial and non-financial information, including big data.	P3	T2
2	Interpret sustainability and integrated reporting.	P2	T2
3	Analyze the historical financial performance of an organization.	P3	T2
4	Apply performance management tools to measure the performance of an organization, project or activity including the use of data analytics.	P2	T2
<b>E</b>	<b>Ethics</b>		
1	Apply ethical considerations in relation to business, good governance and social responsibilities.	P2	T2

#### Key Examinable Professional Skills

1	Apply critical thinking skills to solve problems, inform judgements, make decisions and reach well-reasoned conclusions.
2	Recommend solutions to unstructured, multi-faceted problems.
3	Communicate clearly and concisely when presenting, discussing and reporting in formal and informal situations.

#### Key Examinable Professional Values, Ethics and Attitude

1	Apply an inquiring mind when collecting and assessing data and information
2	Apply critical thinking when identifying and evaluating alternatives to determine an appropriate course of action.
3	Apply ethical principles of ethics when collecting, generating, storing, accessing, using and sharing data and information.
4	Evaluate the significance of threats to compliance with the fundamental principles of ethics and respond appropriately.

#### Specific Examinable Knowledge Reference

<b>A</b>	<b>Formulation and Implementation of Strategy</b>
1	Objectives, Goals, Vision and Mission
2	Importance of operational, tactical and strategic planning
3	Generation and evaluation and assessment of strategies
4	Strategy implementation (KPIs, Balanced scorecard, resource allocation, Business process reengineering, change management and project management)
5	Tools to assess internal and external environment (Porter's Five Forces Model, PESTEL, SWOT, TOWS, BCG Matrix, etc)
6	Competitor Analysis and pricing (cost leadership and differentiation)
7	Business process outsourcing and Value Chain Analysis
8	Benchmarking and gap analysis



9	Business continuity planning and future scenarios
10	Venture capital firms and start-ups
<b>B</b>	<b>Strategy and Management of Information Technology</b>
1	Risk management and planning (types of risks, analysis and documentation, risk management strategies)
2	Role of IT in the collection of information, planning and decision making
3	Formulation of IT strategy
4	IT Control framework COBIT
5	IT Control and monitoring activities
6	Artificial intelligence, Cloud computing, Big Data and the role of data analytics
7	ICT in the context of e-commerce
<b>C</b>	<b>Strategic Marketing, Supply Chain and Human Resource Management</b>
1	Management Models and Theories (Classical Approach, Human Relations and Neo- Human Relations Approach, Systems Approach and Contingency Approach)
2	Recruitment and hiring (Need analysis, competency requirements, personnel specifications)
3	Organizational development (Motivation, Motivation theories, job satisfaction, stress management, Management by Objective)
4	Organizational development (Compensation & Benefits, Training and development, Appraisals and incentives, Health and safety, Conflict resolution and working environment)
5	Organizational development (leadership, theories of leadership, leadership styles, roles and principles, group dynamics and negotiation)
6	Marketing strategies, planning and implementing (including Service Oriented Business
7	Assessing the nature and size of the market using internal records, market intelligence, market research
8	Product life cycle, Product positioning and branding strategies
9	Market segmentation strategies
10	Advertising and promotion strategies and the influence of social media and related channels
11	Global marketing, opportunities and threats
12	Franchising, licensing, joint venture and alliances, E-commerce sales and marketing
13	World Trade Organization
14	Concept and process of procurement
16	Vendor development and management
17	Inventory and production management, ware housing and logistics
<b>D</b>	<b>Performance Measurement</b>
1	ESG, Sustainability and Integrated reporting
2	Ratios
3	IFAC Sustainability framework 2.0(Business strategy perspective, operational perspective and reporting perspective).
4	The International Integrated Reporting Framework issued by IIRC
<b>E</b>	<b>Ethics</b>
1	Corporate Social Responsibility and Ethical Behavior

**CFAP-4: BUSINESS FINANCE DECISIONS**

<b>Competency</b>
Apply technical knowledge and skills in strategic financial decision making, and formulating and implementing organizational financial strategies.

Syllabus Ref	Grid	Teaching hours	Weightage
1	Business Appraisals and Securities	50-55	40-60
2	Capital and its Sources	35-40	25-30
3	Financial Risk Management	25-35	20-25
	<b>Total</b>	<b>110-130</b>	<b>100</b>

**Key Examinable Technical Competencies**

Syllabus Ref	Learning Outcomes	Proficiency Level	Testing Level
<b>A</b>	<b>Business Appraisals and Securities</b>		
1	Prepare financial appraisals on business valuation.	P3	T3
2	Prepare financial appraisals on acquisitions, mergers, demergers, spin off and spin out.	P3	T3
3	Prepare financial appraisals on new projects and strategies.	P3	T3
4	Analyze shareholder value considering dividend and investment decisions.	P2	T2
5	Determine debt value using different techniques.	P3	T2
<b>B</b>	<b>Capital and its Sources</b>		
1	Advise on raising capital from various sources of financing available to an organization based on the qualitative and quantitative evaluation.	P3	T3
2	Apply capital budgeting and rationing techniques in the evaluation of capital investment decisions.	P2	T2
3	Prepare appraisals for optimal portfolio selection.	P3	T2
<b>C</b>	<b>Financial Risk Management</b>		
1	Assess and manage price, currency , interest, liquidity and credit risks	P3	T3
2	Evaluate the implications of price, currency , interest, liquidity and credit risks on business	P3	T3

**Key Examinable Professional Skills**

1	Evaluate data and information from a variety of sources and perspectives through research, integration, and analysis.
2	Communicate clearly and concisely when presenting, discussing and reporting in formal and informal situations.
3	Respond effectively to changing circumstances or new information to solve problems, inform judgements, make decisions, and reach well-reasoned conclusions

**Key Examinable Professional Values, Ethics and Attitude**

1	Apply an inquiring mind when collecting and assessing data and information.
2	Apply techniques to reduce bias, when solving problems, informing judgements, making decisions and reaching well-reasoned conclusions.
3	Apply critical thinking when identifying and evaluating alternatives to determine an appropriate course of action.

**Specific Examinable Knowledge Reference**

1	Capital Investment Appraisal Techniques - NPV, APV, IRR, MIRR, EIRR, payback, capital rationing, profitability index, scenario planning and replacement and sensitivity analysis
2	Valuation techniques - Dividend yield, Price earning, discounted cash flows, asset based valuation techniques
3	Arbitrage Pricing Theory (APT)
4	Weighted average cost of capital (WACC)
4.1	Cost and market value of the equity-dividend discount model, CAPM model, Free cashflows model
4.2	Cost and market value of debt - Effective interest cost discounting model, spot and yield to maturity or yield to call.
4.3	Shareholder value - Dividend payout, dividend irrelevant theory, the impact of right issue including yield adjusted theoretical ex-right price, effect on effective holding and maintenance of wealth
4.4	Capital Structure theory
4.4(a)	Tradition theory of capital structure
4.4(b)	Modigliani and Miller theory - valuation, capital structure, profit distribution, cost of capital and arbitrage gains in case of mispriced securities, optimal capital structure
5	Portfolio selection – Diversifiable and non-diversifiable risks, the concept of correlation and covariance and two, three and multiple asset portfolio
6	Capital Asset Pricing Model – Cost of equity, un gearing and re-gearing beta, under and overvalued securities based on security market line (SML)
7	Hedging interest rate : Futures, Options, Swaps, Swaptions and Forward agreement
8	Hedging Foreign Exchange : Currency futures, Swaps, Options, Forward, Swaptions and Money Market hedge
9	Commodity and security: Forward and future contracts
10	Liquidity risk management through liquidity indicators, stress testing, forecasting, contingency planning.
11	Credit risk management through financial and non-financial analysis, factoring and insurance

**CFAP-5: TAX PLANNING AND PRACTICES**

Competency
Prepare and analyze relevant tax information.

Syllabus Ref	Grid	Teaching hours	Weightage
A	Income Tax	75-80	50-60
B	Sales Tax and Federal Excise Duty	55-60	30-45
C	Ethics	10-15	5-10
	<b>Total</b>	<b>140-155</b>	<b>100</b>

**Key Examinable Technical Competencies**

Syllabus Ref	Learning Outcomes	Proficiency Level	Testing Level
<b>A</b>	<b>Income Tax</b>		
1	Compute income under various heads of income and tax thereon and apply provisions of law relating to losses, deductible allowances, tax credits and other tax concessions.	P2	T3
2	Advise on returns, assessments, appeals, records, audit, collection/recovery/refund of tax, advance tax, withholding tax, minimum tax and final tax.	P3	T2
3	Advise on international taxation aspects.	P3	T2
4	Advise on organizational strategies with respect to direct taxation.	P3	T2
<b>B</b>	<b>Sales Tax and Federal Excise Duty</b>		
<b>a</b>	<b>Sales Tax</b>		
1	Calculate sales tax (output and input) on taxable supplies including zero rated and exempt supplies.	P3	T3
2	Calculate apportionment of input tax and carry forward / refund thereof.	P3	T2
3	Advise on registration, de-registration, returns, records, audit and appeals.	P3	T2
4	Apply provisions of provincial / capital territory sales tax laws applicable on services.	P3	T2
5	Advise on organizational strategies with respect to indirect taxation.	P3	T2
<b>b</b>	<b>Federal Excise Duty</b>		
1	Apply provisions of laws on Federal Excise Duty.	P2	T1
<b>C</b>	<b>Ethics</b>		
1	Describe principles of fair tax legislation and equitable tax administration.	P2	T1
2	Explain ethics for tax legislators, tax administrators, tax payers and tax practitioners.	P3	T1

**Key Examinable Professional Skills**

1	Apply critical thinking skills to solve problems, inform judgements, make decisions and reach well-reasoned conclusions.
2	Recommend solutions to unstructured, multi-faceted problems.
3	Respond effectively to changing circumstances or new information to solve problems, inform judgements, make decisions, and reach well-reasoned conclusions.
4	Communicate clearly and concisely when presenting, discussing and reporting in formal and informal situations.

**Key Examinable Professional Values, Ethics and Attitudes**

1	Apply an inquiring mind when collecting and assessing data and information.
3	Apply techniques to reduce bias, when solving problems, informing judgements, making decisions and reaching well-reasoned conclusions.
4	Apply critical thinking when identifying and evaluating alternatives to determine an appropriate course of action.
5	Evaluate the significance of threats to compliance with the fundamental principles of ethics and respond appropriately.
6	Analyze the consequences of unethical behavior to the individual, the profession, and the public.
7	Apply ethical principles of ethics when collecting, generating, storing, accessing, using and sharing data and information.

**Specific Examinable Knowledge Reference**

<b>A</b>	<b>Income Tax</b>
<b>1</b>	<p><b>Income Tax Ordinance, 2001</b></p> <p><b>Introduction and central concepts</b> Sections 1 to 3, 4 to 8, 9 to 11, 74, 80 to 84</p> <p><b>Computation of income of under normal tax regime, final tax regime, minimum tax regime and related tax liability</b> Sections 12 to 40, 113, 113C, 168 to 169</p> <p><b>Exemptions, tax concessions, losses, deductible allowances and tax credits</b> Section 41 to 55, 56 to 59B, 60 to 60D, 61 to 65B, 65E to 65G</p> <p><b>Common rules, assets, principles of taxation and geographical source of income</b> Section 66 to 73, 75 to 79, 86 to 100D, 101 to 101A</p> <p><b>Foreign source income of residents, taxation of permanent establishment, thin capitalization, avoidance of double taxation and anti-avoidance</b> Sections 102 to 104, 105 to 106A, 107, 108 to 112</p> <p><b>Returns, assessment, appeals, audit, penalties and offences</b> Sections 114 to 119, 120 to 126, 127 to 136, 174 to 180, 182 to 204</p> <p><b>Collection &amp; recovery of tax, advance tax and final tax, refund of tax and withholding tax</b> 137 to 146C, 147, 148 to 169, 170 to 171A, 231B to 236Q</p> <p><b>Others</b> Sections 85, 172 to 173, 181 to 181D, 205 to 206A, 207 to 230I, 237 to 242, Schedules to the Income Tax Ordinance 2001</p>
<b>2</b>	<p><b>Income Tax Rules, 2002</b></p> <p>Income tax rules relating to sections specified in Income Tax Ordinance.</p>

<b>3</b>	Relevant notifications, circulars issued under the Income Tax Ordinance, 2001 and rules made under therein and model double tax treaty (country specific treaty not examinable).
<b>B</b>	<b>Sales Tax and Federal Excise Duty</b>
<b>1</b>	<p><b>Sales Tax Act, 1990</b></p> <p><b>Introduction, scope and payment of tax</b> Sections 1 to 13, 73</p> <p><b>Registration &amp; de-registration, bookkeeping, Invoicing, records, returns and audit</b> Sections 14 to 21A, 22 to 25AA, 26 to 29, 32A, 72B</p> <p><b>Administration, penalties, offences, appeals and recovery of arrears</b> Sections 30 to 32, 33 to 40D, 45A to 47A, 48</p> <p><b>Miscellaneous</b> Sections 49 to 76, Schedules to the Sales Tax Act, 1990</p>
<b>2</b>	<p><b>Sales Tax Rules, 2006</b> Sales tax rules relating to sections specified in Sales Tax Act</p>
<b>3</b>	Common provisions of provincial / capital territory sales tax laws on services
<b>4</b>	Relevant notifications, circulars and general orders issued under the Sales Tax Act, 1990 and rules made under therein
	<b>Federal Excise Act, 2005 and Federal Excise Rules 2005</b>
<b>5</b>	<p><b>Introduction and definitions</b> Section 1 to 2</p> <p><b>Levy, Collection and Payment of Fed</b> Section 3 to 18</p>
<b>6</b>	Notifications, circulars and general orders under the Federal Excise Act, 2005 relevant to chapters I and II
	<b>Ethics</b>
<b>7</b>	Code of Ethics for Chartered Accountants (revised 2019): Section 600.1 to 600.10, Section 600(Subsection 604)

## CFAP-6: AUDIT, ASSURANCE AND RELATED SERVICES

<b>Competency</b>
Perform audit of financial and non-financial information, and provide other assurance and related services.

Grid	Teaching hours	Weightage
Audit of Historical Financial Information-Planning and Others	30-35	25-30
Audit of Historical Financial Information – Risks	15-20	15-20
Audit Conclusion and Reporting	30-35	20-30
Specialized Areas, Other Assurance Engagement and Related Services	20-25	15-20
Ethical, Quality Control and Professional Requirements	10-15	10-15
<b>Total</b>	<b>105-130</b>	<b>100</b>

### Key Examinable Technical Competencies

Syllabus Ref	Learning Outcomes	Proficiency Level	Testing Level
<b>A</b>	<b>Audit of Historical Financial Information-Planning and Others</b>		
1	Describe the general principles and responsibilities involved in performing an audit of historical financial information including group financial statements.	P2	T3
2	Identify relevant audit evidence, including contradictory evidence, to inform judgments, make decisions, and reach well-reasoned conclusions.	P3	T3
3	Analyze the adequacy of ICT processes and controls and identify improvements including using data analytics.	P3	T3
4	Conclude whether sufficient and appropriate audit evidence has been obtained.	P3	T3
5	Apply requirement of International Standards of Auditing to group audit, using work of internal audit and work of auditor’s expert.	P3	T3
6	Apply requirement of International Standards of Auditing relating to consideration of laws and regulations in an audit of financial statements	P3	T3
7	Apply the requirements of International Standards of Auditing relating to going concern.	P3	T3
8	Apply the requirements of International Standards of Auditing relating to related parties.	P3	T3
9	Apply the requirements of International Standards of Auditing relating to written representation.	P3	T3
10	Apply the requirements of International Standards of Auditing relating to subsequent events.	P3	T3
11	Apply audit considerations relating to an entity using a service organization.	P3	T2

Syllabus Ref	Learning Outcomes	Proficiency Level	Testing Level
<b>B</b>	<b>Audit of Historical Financial Information-Risks</b>		
1	Assess the risks of material misstatement in the financial statements and consider the impact on the audit strategy.	P3	T3
2	Identify significant audit risks including different types of cyber risks.	P3	T3
3	Explain how an auditor can use Information and Communication Technology (ICT) to identify audit risk and its mitigating controls in an organization.	P3	T3
4	Conclude how specified internal controls mitigate risks including cyber risks and improve cyber security.	P3	T3
<b>C</b>	<b>Audit Conclusion and Reporting</b>		
1	Conclude and report audit opinion on financial statements.	P3	T2
2	Communicate key audit matters, modifications to the opinion, the emphasis of matter paragraphs and other matter paragraphs in independent auditor's report.	P3	T2
3	Apply requirement of International Standards of Auditing relevant to comparative information and the auditor's responsibilities relating to other information.	P2	T2
<b>D</b>	<b>Specialized Areas, Other Assurance Engagement and Related Services</b>		
1	Explain special consideration regarding audit of financial statements prepared in accordance with special purpose frameworks.	P2	T2
2	Explain special consideration regarding audit of single financial statements and specific elements, accounts or items of financial statements.	P2	T2
3	Apply requirement of International Standards of Auditing to engagement to report on summary financial statements.	P3	T2
4	Plan, perform, conclude on and report on review engagements of historical financial statements.	P3	T2
5	Plan, perform, conclude on and report on assurance engagements other than audits or review of historical financial information.	P3	T2
6	Plan, perform, conclude on and report on prospective financial information.	P3	T2
7	Plan, perform, conclude on and report on controls at a service organization.	P3	T2
8	Plan, perform, conclude on and report on greenhouse gas statement.	P3	T2
9	Perform assurance engagements to report on the compilation of Pro Forma Financial Information included in Prospectus.	P3	T2
10	Plan, perform, conclude on and report on engagement to perform agreed-upon procedures.	P3	T2



Syllabus Ref	Learning Outcomes	Proficiency Level	Testing Level
11	Plan, perform, conclude on and report on compilation engagements.	P3	T2
12	Perform the services under the provisions of corporate laws.	P3	T2
13	Perform the services under the provisions of tax laws.	P3	T2
<b>E</b>	<b>Ethical, Quality Control and Professional Requirements</b>		
1	Apply the requirements of the Code of Ethics on complex scenarios to advise on appropriate ways of addressing an ethical threat.	P3	T2
2	Apply the requirements of quality control for audits of financial statements and for firms that performs audits and reviews of financial statements and other assurance and related services engagements.	P3	T2
3	Apply the requirements of applicable laws for professional misconduct on given scenarios.	P3	T2

### Key Examinable Professional Skills

1	Evaluate data and information from a variety of sources and perspectives through research, integration, and analysis.
2	Apply critical thinking skills to solve problems, inform judgements, make decisions and reach well-reasoned conclusions.
3	Identify when it is appropriate to consult with specialists.
4	Recommend solutions to unstructured, multi-faceted problems.
5	Respond effectively to changing circumstances or new information to solve problems, inform judgements, make decisions, and reach well-reasoned conclusions.

### Key Examinable Professional Values, Ethics and Attitude

1	Apply an inquiring mind when collecting and assessing data and information.
2	Apply critical thinking when identifying and evaluating alternatives to determine an appropriate course of action.
3	Identify threats to compliance with the fundamental principles of ethics.
4	Evaluate the significance of threats to compliance with the fundamental principles of ethics and respond appropriately.
5	Apply ethical principles when collecting, generating, storing, accessing, using and sharing data and information.
6	Apply the relevant ethical requirements to professional behavior.
7	Analyze the consequences of unethical behavior to the individual, the profession, and the public
8	Analyze the interrelationship of ethics and law, including the relationship between laws, regulations, and the public interest.

### Specific Examinable Knowledge Reference

<b>A</b>	<b>Audit of Historical Financial Information-Planning</b>
1	ISA 210: Agreeing the terms of audit engagement
2	ISA 230: audit documentation
3	ISA 250(revised): Consideration of Laws and regulations in an audit of financial statements
4	ISA 260(revised): Communication with those charged with governance
5	ISA 265: Communicating deficiencies in internal control to those charged with governance and management
6	ISA 300: Planning an audit of financial statements
7	ISA 402: Audit considerations relating to an entity using a service organization
8	ISA 450: Evaluation of misstatements identified during the audit
9	ISA 500: Audit evidence
10	ISA 501: Audit evidence – specific considerations for selected items
11	ISA 505: External confirmations
12	ISA 510: Initial audit engagements – opening balances
13	ISA 520: Analytical procedures
14	ISA 530: Audit Sampling
15	ISA 540(revised): Auditing accounting estimates and related disclosures
16	ISA 550: related parties
17	ISA 560: subsequent events
18	ISA 570(revised): Going concern
19	ISA 580: Written representations
20	ISA 600: Special considerations –Audit of Group Financial Statements (including the work of component auditors)
21	ISA 610(revised 2013): Using the work of internal auditors
22	ISA 620: Using the work of an expert
<b>B</b>	<b>Audit of Historical Financial Information – Risks</b>
1	ISA 240: The auditor’s responsibilities relating to fraud in an audit of financial statements
2	ISA 315(revised): identifying and assessing the risk of material misstatement through understanding the entity and its environment
3	ISA 320: Materiality in planning and performing an audit
4	ISA 330: The auditor’s response to assessed risk
<b>C</b>	<b>Audit Conclusion and Reporting</b>
1	ISA 700(revised): Forming an opinion and reporting on Financial statements
2	ISA 701: Communicating Key audit matters in the Independent auditor’s report
3	ISA 705 (revised): modifications to the opinion in the independent auditor’s report
4	ISA 706 (revised): emphasis of matter paragraphs and other matter paragraphs in the independent auditor’s report
5	ISA 710: Comparative information – Corresponding figures and comparative financial statements

6	ISA 720(Revised): The auditor's responsibilities relating to other information
<b>D</b>	<b>Specialized Areas, Other Assurance Engagement and Related Services</b>
1	ISA 800 (revised): Special considerations-Audits of Financial Statements prepared in accordance with special purpose frameworks
2	ISA 805 (revised): Special considerations-Audit of Single statements and specific elements, accounts or items of a financial statements
3	ISA 810 (revised): Engagement to report on summary financial statements
4	ISRE 2400: Engagements to review historical financial statements
5	ISRE 2410: Review of interim financial information performed by the independent auditor of the entity
6	ISAE 3000: Assurance engagements other than audits or reviews of historical financial information
7	ISAE 3400: The examination of prospective financial information
8	ISAE 3402: Assurance reports on controls at a service organization
9	ISAE 3410: Assurance engagements
10	ISAE 3420: Assurance engagements on Greenhouse Gas Statements
11	ISRS 4400: Engagements to perform agreed upon procedures regarding financial information
12	ISRS 4410: Compilation engagement
13	Amended international framework for assurance engagement
<b>E</b>	<b>Ethical, Quality Control and Professional Requirements</b>
1	Code of Ethics(revised) 2019 issued by ICAP
2	Quality control – ISQM 1, ISQM 2, ISA 220 (revised), quality control framework of ICAP, Quality Assurance Board of ICAP, Audit Oversight Board
3	Chartered Accountant Ordinance, 1961 Chapter V A Schedules I, II and III

**MULTI-SUBJECT ASSESSMENT**  
**FINANCIAL REPORTING AND ASSURANCE PROFESSIONAL COMPETENCE**

<b>Competency</b>
Evaluate and advise, as preparer, auditor and consultant on matters relevant to financial and non-financial information upholding the principles of ethics, transparency and accountability.

Syllabus Ref.	Grid	Teaching Hour	Weightage
A	Financial Accounting and Reporting	75-85	55-65
B	Audit, Assurance and Related Services	40-45	25-35
C	Company Law and Ethics (provisions relating to accounts and audit)	10-15	05-15
	<b>Total</b>	<b>125-145</b>	<b>100</b>

**Key Examinable Technical competencies**

Syllabus Ref.	Learning Outcome	Proficiency Level	Testing Level
<b>A</b>	<b>Financial Accounting and Reporting</b>		
1	Evaluate and advise on relevant and faithfully represented financial and non-financial information.	P3	T3
<b>B</b>	<b>Audit, Assurance and Related Services</b>		
1	Evaluate and advise on audit of financial and non-financial information	P3	T3
2	Evaluate and advise on other assurance and advisory services	P2	T3
<b>C</b>	<b>Company Law and Ethics (provisions relating to accounts and audit)</b>		
1	Advise on compliance with corporate laws	P2	T3

**Key Examinable Professional Skills**

1	Evaluate data and information from a variety of sources and perspectives through research, integration, and analysis.
2	Apply critical thinking skills to solve problems, inform judgements, make decisions and reach well-reasoned conclusions.
3	Recommend solutions to unstructured, multi-faceted problems.
4	Communicate clearly and concisely when presenting, discussing and reporting in formal and informal situations.
5	Respond effectively to changing circumstances or new information to solve problems, inform judgements, make decisions, and reach well-reasoned conclusions.

### Key Examinable Professional Values, Ethics and Attitude

1	Apply an inquiring mind when collecting and assessing data and information.
2	Apply techniques to reduce bias, when solving problems, informing judgements, making decisions and reaching well-reasoned conclusions.
3	Apply critical thinking when identifying and evaluating alternatives to determine an appropriate course of action.
4	Evaluate the significance of threats to compliance with the fundamental principles of ethics and respond appropriately.
5	Analyze the consequences of unethical behavior to the individual, the profession, and the public.
6	Apply ethical principles of ethics when collecting, generating, storing, accessing, using and sharing data and information.

### Specific Examinable Knowledge Reference

A	Financial Accounting and Reporting
1	Presentation of Financial Statements (IAS-1, IAS-7 and Companies Act, 2017, including 3 <sup>rd</sup> , 4 <sup>th</sup> and 5 <sup>th</sup> schedules)
2	Interpretation of financial and non-financial information
3	IAS 27 Separate Financial Statements
4	Preparation and Presentation of consolidated financial statements <ul style="list-style-type: none"> <li>• IFRS 3 Business combinations</li> <li>• IFRS 10 Consolidated financial statements</li> <li>• IAS 28 Investment in Associates and Joint Ventures</li> <li>• IFRS 11 Joint Arrangements</li> </ul>
5	IFRS 12 Disclosure of Interests in Other Entities
6	IFRS 2 Share-based Payment
7	IFRS 13 Fair Value Measurement
8	IFRS 8 Operating Segments
9	Classification, recognition, measurement and presentation of financial assets and liabilities <ul style="list-style-type: none"> <li>• IAS 32 Financial Instruments: Presentation</li> <li>• IFRS 7 Financial Instruments: Disclosures</li> <li>• IFRS 9 Financial Instruments</li> </ul>
10	IAS 34 Interim Financial Reporting
11	IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
12	IAS 10 Events after the Reporting Date
13	IAS 12 Income Taxes
14	IAS 16 Property, Plant and Equipment
15	IFRS 16 Leases
16	IAS 40 Investment Property
17	IFRS 15 Revenue From Contracts with Customers
18	IAS 19 Employee Benefits

19	IAS 21 The Effects of Changes in Foreign Exchange Rates
20	IAS 24 Related Party Disclosures
21	IAS 36 Impairment of Assets
22	IAS 37 Provisions, Contingent Liabilities and Contingent Assets
23	IAS 38 Intangible Assets
24	IFRS for Small and Medium-Sized Entities
25	Current developments and updates relating to IFRS
<b>B</b>	<b>Audit, Assurance and Related Services</b>
1	Quality control – ISQM 1, ISQM 2, ISA 220 (revised), quality control framework of ICAP, Quality Assurance Board of ICAP
2	Legal, professional and ethical consideration relating to appointment and removal of auditor
3	ISA 315(revised) Identifying and assessing the risks of material misstatements through understanding the entity and its environment ISA 330 The Auditor’s Responses to Assessed Risks
4	ISA 230 Audit documentation ISA 300 Planning an Audit of Financial Statements, ISA 320 Materiality in Planning and Performing an Audit ISA 500 Audit Evidence ISA 501 Audit Evidence – Specific Considerations for Selected Items ISA 505 External Confirmations ISA 510 Initial Audit Engagements – Opening Balances ISA 520 Analytical Procedures ISA 530 Audit Sampling
5	ISA 250(revised) Consideration of Laws and Regulations in an Audit of Financial Statements
6	Acceptance and continuance of client
7	ISA 560 Subsequent events
8	ISA 570(revised) Going concern
9	ISA 540(revised) Auditing Accounting Estimates and Related Disclosures
10	ISA 600 Special considerations –Audit of Group Financial Statements (Including the Work of Component Auditors)
11	ISA 610(revised 2013) Using the Work of Internal Auditors ISA 620 Using the Work of an Auditor’s Expert
12	Identification of audit issues and advising on relevant audit procedures
13	ISA 705 (revised) Modifications to the Opinion in the Independent Auditor’s Report
14	ISA 701: Communicating Key audit matters in the Independent auditor’s report ISA 706 (revised): Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor’s Report
15	ISA 710: Comparative Information – Corresponding Figures and Comparative Financial Statements
17	ISA 720(Revised): The Auditor’s Responsibilities Relating to Other Information

18	Audit report under the Companies Act, 2017
19	<p><b>Assurance Engagements Other Than Audits or Reviews of Historical Financial Information</b></p> <p>ISA 800 (Revised): Special Considerations – Audit of Financial Statements Prepared in accordance with Special Purpose Frameworks</p> <p>ISA 805 (Revised): Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement</p> <p>ISA 810 (Revised): Engagements to Report on Summary Financial Statement</p> <p>ISAE 3000 (Revised): Assurance Engagements other than Audits and reviews of historical financial information</p> <p>ISAE 3400: The Examination of Prospective Financial Information</p> <p>ISAE 3402: Assurance Reports on Controls at a Service Organization</p> <p>ISAE 3410: Assurance Engagements on Greenhouse Gas Statements</p> <p>ISAE 3420: Assurance Engagements to Report on the Compilation of Pro forma Financial Information Included in a Prospectus</p>
20	<p><b>Engagements for Related Services</b></p> <p>ISRS 4400: Engagements to Perform Agreed-Upon Procedures Regarding Financial Information</p> <p>ISRS 4410 (Revised): Compilation Engagements</p>
21	Current development and updates relating to audit, assurance and related services, including relevant developments in the use of technology (eg, big data, data analytics and artificial intelligence).
<b>C</b>	<b>Company Law and Ethics (provisions relating to accounts and audit)</b>
1	Accounts of Companies (Section 220 to 239)
2	Audit (Section 246 to 253)
3	Listed Companies (Code of Corporate Governance) regulations 2019 (Codes relating to audit and accounts)
4	Professional misconduct under the Chartered Accountants Ordinance 1961
5	Code of Ethics (Revised 2019) issued by the Institute of Chartered Accountants of Pakistan

MSA stage papers are primarily the integrated assessments of subjects examined at the CFAP stage. MSA 1 is an integration of CFAP 1 Advanced Accounting and Financial Reporting and CFAP 6 Audit, Assurance and Related Services. However, under prior learning policy, the concepts examinable at the CAF stage may be examined as a component of any question at the MSA stage to assess the conceptual understanding of the concerned topic.

**MULTI-SUBJECT ASSESSMENT**  
**MANAGEMENT PROFESSIONAL COMPETENCE**

Competency
Evaluate and advise on all aspects of business strategies and management upholding the principles of ethics, transparency and accountability.

Syllabus Ref.	Grid	Teaching Hours	Weightage
A	Strategic Management	50-55	40-50
B	Financial and Performance Management	45-50	35-40
C	Tax Planning	10-15	05-15
D	Codes of Corporate Governance and Ethics	05-10	05-10
	<b>Total</b>	<b>110-130</b>	<b>100</b>

**Key Examinable Technical competencies**

Syllabus Ref.	Learning Outcomes	Proficiency Level	Testing Level
<b>A</b>	<b>Strategic Management</b>		
1	Evaluate and advise on formulating and implementing organizational strategies relevant to non-financial aspects.	P3	T3
<b>B</b>	<b>Financial and Performance Management</b>		
1	Evaluate and advise on formulating and implementing organizational financial strategies	P3	T3
<b>C</b>	<b>Tax Planning</b>		
1	Evaluate and advise on organizational strategies relevant to direct and indirect taxation.	P2	T2
<b>D</b>	<b>Codes of Corporate Governance and Ethics</b>		
1	Evaluate and advise on Codes of corporate governance	P2	T2
2	Evaluate and advise on strategies and safeguards for ethical dilemmas.	P2	T2

**Key Examinable Professional Skills**

1	Evaluate data and information from a variety of sources and perspectives through research, integration, and analysis.
2	Apply critical thinking skills to solve problems, inform judgements, make decisions and reach well-reasoned conclusions.
3	Apply intellectual agility.
4	Recommend solutions to unstructured, multi-faceted problems.
5	Respond effectively to changing circumstances or new information to solve problems, inform judgements, make decisions, and reach well-reasoned conclusions.
6	Communicate clearly and concisely when presenting, discussing and reporting in formal and informal situations.



### Key Examinable Professional Values, Ethics and Attitude

1	Apply an inquiring mind when collecting and assessing data and information.
2	Apply techniques to reduce bias, when solving problems, informing judgements, making decisions and reaching well-reasoned conclusions.
3	Apply critical thinking when identifying and evaluating alternatives to determine an appropriate course of action.
4	Evaluate the significance of threats to compliance with the fundamental principles of ethics and respond appropriately.
5	Analyze the consequences of unethical behavior to the individual, the profession, and the public.
6	Apply ethical principles of ethics when collecting, generating, storing, accessing, using and sharing data and information.
7	Explain the role and importance of ethics in relation to the concept of social responsibility.
8	Analyze the interrelationship of ethics and law, including the relationship between laws, regulations, and the public interest.

### Specific Examinable Knowledge Reference

<b>A</b>	<b>Strategic management</b>
1	<u>Strategic Analysis:</u> Strategic management, organizational goals and objectives, the external business environment, internal factors and strategic capability, analyzing strategic position and performance, levels of strategy in an organization.
2	<u>Strategic Choice</u> Strategic choices, generating strategic options, strategic decision-making, evaluating strategic options, international strategies.
3	<u>Strategic Implementation:</u> Acquisitions and strategic alliances, aligning organizational structure and strategy, managing change, cost reduction methodologies, evaluating functional strategies, business plans.
4	<u>Business Risk Management</u> Business risks, enterprise risk management, risk management responsibilities, stakeholders and risk, risk assessment, risk response.
5	<u>Strategic Marketing and Brand Management</u> Understanding market position, developing a marketing strategy, positioning strategies, the marketing mix, databases and e-marketing, brand management, branding and marketing strategy, valuing brands and intangible assets.
6	<u>Information Strategy</u> Information technology and strategy, information for strategic planning and control, management information systems, the value of information, evaluating management information and performance data, using information to develop competitive advantage
7	<u>Human Resource Management</u> Strategic human resource management (HRM), the impact of HRM on business strategy, appraisal and performance management, the impact of remuneration and reward packages, HRM and change management.
8	<u>Performance Measurement</u> Financial and non-financial information, ESG, sustainability and integrated reporting, performance measurement tools.

<b>B</b>	<b>Financial and Performance Management</b>
1	<u>Strategic Performance Management</u> Performance management, information for strategic decision making, performance measurement, rewards, behaviour and performance, corporate social responsibility and performance
2	<u>Business and Securities Valuation</u> Valuation methods, acquisitions and mergers, unquoted companies and start-ups, valuation of debt.
3	<u>Financial Instruments and Financial Markets</u> Equity instruments, equity markets, fixed interest securities, bonds and leasing, bond markets, bond valuation and yields, credit risks, derivatives, derivative markets. Prudential Regulations for Corporate /Commercial Banking of SBP (PART – A Definitions, Regulations R-1-R-10, PART B Regulations G1 – G4)
4	<u>Financial Structures and Reconstruction</u> Capital structure, Dividend policy, Financial reconstruction, Demergers and disposals, Small and medium company financing.
5	<u>Financial Risk Management</u> Financial risks, Interest rate risks, Foreign exchange rate risks, Hedge accounting.
6	<u>Treasury and Working Capital Management</u> Treasury management function, Global treasury management, Working capital management.
<b>C</b>	<b>Tax Planning</b>
1	Income Tax for Businesses; Group Relief and Taxation; International Expansion of Businesses restricted to permanent establishment (foreigners investing into Pakistan); Choice of Business Structure, transformation and reorganization; Sales Tax; and Taxation of Employees Remuneration
<b>D</b>	<b>Codes of Corporate Governance and Ethics</b>
1	- Listed Companies (Code of Corporate Governance) Regulations, 2019 - Public Sector Companies (Corporate Governance) Rules, 2013
2	Ethics and ethical issues, Resolving ethical dilemmas, Ethical safeguards, Ethics and strategy.

Note: MSA stage papers are primarily the integrated assessments of subjects examined at the CFAP stage. MSA 2 is an integration of CFAP 3 Strategy and Performance Measurement and CFAP 4 Business Finance Decisions. However, under prior learning policy, the concepts examinable at the CAF stage may be examined as a component of any question at the MSA stage to assess the conceptual understanding of the concerned topic.”