

INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OF
UGANDA

ACCOUNTING TECHNICIANS CERTIFICATE
OF UGANDA [ATC(U)]

EXAMINATION SYLLABUS

DECEMBER 2000

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1.0 BACKGROUND INFORMATION

1.1 Institute's Profile

The Institute of Certified Public Accountants of Uganda (ICPAU) was established by The Accountants Statute 1992. It is governed by a Council which is assisted by the Public Accountants Examinations Board, Editorial Board and six Committees viz: Education, Members' Services, Disciplinary and Ethics, Finance, Accounting and Auditing Standards, and Marketing.

The functions of the Institute as prescribed by the Accountants Statute 1992 are:

- (i) To regulate and maintain the Standard of Accountancy in Uganda;
- (ii) To prescribe or regulate the conduct of accountants in Uganda.

ICPAU is a member of the International Federation of Accountants (IFAC), and the Eastern Central and Southern African Federation of Accountants (ECSAFA)

1.2 Mission Statement

The Mission of the Institute of Certified Public Accountants of Uganda is to develop and promote the accountancy profession in Uganda and beyond through an internationally recognised qualification ensuring high ethical standards and professional accounting and auditing standards.

1.3 The Public Accountants Examinations Board (PAEB)

As part of the function of regulating and maintaining the standard of accountancy, ICPAU is required to conduct examinations. This function is executed by the PAEB on behalf of Council.

The PAEB is responsible for conducting the:

- a) Certified Public Accountants of Uganda [CPA(U)] examinations.
- b) Accounting Technicians Certificate of Uganda [ATC(U)] examinations.

2.0 ACCOUNTING TECHNICIANS CERTIFICATE OF UGANDA [ATC(U)]

2.1 Accounting Technicians

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

2.2 Purpose

To produce competent accounting staff with comprehensive and a wide range of technical knowledge, skills and attitudes which will enable them to work in any sector of the economy.

2.3 Objectives

1. To produce accounting staff who will be responsible for the efficient operation of their organisations' systems and implementation of agreed policies.
2. To produce accounting staff who adhere to professional ethics.
3. To produce accounting staff who are effective communicators, orally and in writing.
4. To provide ATC(U) holders with an avenue for access, progression and continued learning in accountancy and other fields.
5. To create an enabling environment for Accounting Technicians to associate.

2.4 Entry Requirements

To register as an ATC(U) student, one must have one of the following qualifications:

1. Uganda Certificate of Education (UCE) with at least division three or the equivalent. The applicant must have obtained passes in English Language and Mathematics.
2. UNEB Group Certificate for Business Education of at least stage two.
3. Other certificates as may be approved by PAEB.

2.5 Registration for Studentship

Applications for studentship can be received any time of the year. However, students intending to sit for the June examinations diet must have registered by 28 February while those who intend to sit for the December examinations diet must have registered by 31 August.

Applications must be made on the appropriate forms issued by the Institute and accompanied with the prescribed fees.

Note: The Institute reserves the right to register and/or de-register any student who in its opinion is not a fit and proper person.

2.6 Progression Rules

2.6.1 A Candidate may attempt a minimum of two subjects and a maximum of four subjects at any one sitting provided they are in the same level of the syllabus.

2.6.2 A candidate must complete one level of the syllabus before proceeding to the next one. An exception to this rule is when the candidate has only one subject to complete a level. In this case, the candidate can combine it with some subjects from the next level.

2.6.3 A candidate will be credited with each subject passed. The pass mark is 50%.

2.6.4 A student will be required to complete the course in a maximum period of four years.

2.6.5 A student will be discontinued when the completion period expires. A student discontinued for this reason is not eligible for re-registration.

Note: The Institute reserves the right to vary the above rules.

2.7 Registration Renewal

2.7.1 A student must annually renew the studentship registration on the first day of January by payment of the prescribed fees.

2.7.2 A student, who without good cause, fails to renew the registration by 31 March will be deemed to have allowed the registration to lapse. Thus, such a student forfeits the right to register for and sit examinations until the renewal position is regularised.

2.7.3 A student who is de-registered for failure to renew the studentship may apply for re-registration and if granted, such re-registered student shall:

- (i) Pay a re-registration fee.
- (ii) Pay arrears of registration renewal fees.

- (iii) Undertake to complete the examination within the prescribed period of the course.

2.8 Registration for Examinations

2.8.1 Registration for examinations will be done on prescribed examination entry forms. Duly completed forms together with the prescribed examinations fees will be submitted to the Institute.

2.8.2 The closing date for the receipt of the June examination entries is 31 March and 30 September for the December examinations.

2.8.3 Late examination entries, when allowed, will attract a penalty, determined by the Institute from time to time.

2.9 Examination Room Rules & Regulations

2.9.1 The examination room rules and regulations are communicated to candidates before the examinations.

2.9.2 Breach of examination rules and regulations will be subject to the Institute's disciplinary procedures. In case of examination irregularities amounting to breach of law, the matter will be handed over to the appropriate authorities.

2.10 Methods of Study

There are four distinct methods of study:

- (i) Full time at a training institution.
- (ii) Part time at a training institution.
- (iii) Private.
- (iv) Correspondence.

2.11 Teaching Institutions

ICPAU is not engaged in the provision of tuition. This function is carried out by various institutions. Students will be advised of the institutions teaching ATC(U).

2.12 Fees Structure

The fees structure will be advised to the students as determined by the Institute.

SYLLABUS

Principles of Accounting I – Paper 1

Learning Outcomes

On completion of this course the student will be able to:-

- Define the different terms used in accountancy
- Categorise business organisations.
- Record transactions in the books of prime entry using a double entry book-keeping system.
- Extract a trial balance.
- Prepare simple financial statements for business organisations and non-profit making organisations.

Introduction

- Define the terms Book-keeping, Financial Accounting, Cost Accounting and Management Accounting.
- Users of financial statements and their information needs.
- Definition of the accounting equation.
- The work of accountants.

Principles of Double Entry Book-keeping and Books of original entry

- Explanation of the accounting equation.
- Identification of the elements of financial statements.
 - Assets, liabilities, equity, income and expenses.
 - Current and non-current assets;
 - Current and non-current liabilities.
- Capital and revenue transactions.
- Preparation of:
 - Cashbook, Petty Cash Book, General Journal, Sales Journal, Purchases Journal, Returns Inwards and Returns Outwards Journal.
- Ledgers – The preparation of principal and sub-ledgers.
Sales Ledger, Purchases Ledger, General or Nominal Ledger
- Recording Transactions and Extraction of a Trial Balance.
 - Preparation of books of original entry and transfer to the ledger accounts.
 - Balancing off the ledger accounts and extraction of a Trial Balance.
- Preparation of Bank Reconciliation Statements.

Errors and their correction

- The types of errors.
- Correction of errors and use of Suspense Account.
- Preparation of revised Income Statement and Balance Sheet after correction of errors.

Preparation of Financial Statements of business organisations

- Preparation of simple Income Statements and Balance Sheets of sole traders, partnerships and limited companies.

Preparation of Financial Statements of Non-Profit Making Organisations

- Types of non-profit making organisations.
- Preparation of a Receipt and Payments Account, Income and Expenditure Account, and Balance Sheet.
- Income and Expenditure Account of a non-profit organisation vs Income Statement of a profit-making organisation.

Preparation of Financial Statements from Incomplete Records

- Circumstances when double entry has not been used.
- Preparation procedures of:
 - Opening and closing statement positions.
 - Analysis of cash and bank transactions.
 - Computation of purchases and sales amounts.
 - Computation of expenses and income amounts.
- Preparation of accounts from the stated procedures.
- Preparation of Income Statements and Balance Sheets from incomplete records.

End of Period Adjustments

- Accruals, Prepayments, Income in Arrears and in Advance.
 - Application of the accrual concept.
 - Application of the Matching concept.
- Bad and Doubtful Debts.
 - Determination of provisions for bad and doubtful debts.
 - Movement in the provisions for bad and doubtful debts account.
- Treatment of bad debts written off and recovered.
- Treatment of movements in provisions for discounts allowed and discounts received.
- Depreciation
 - Identification of depreciable assets.
 - Methods of depreciating and amortising.

- Recording of depreciation provisions.
- Record of acquisition and disposal of property, plant and equipment.

Introduction to Partnership Accounts

- Formation of partnerships and the basic contents of a partnership agreement.
- Treatment of partnership profits and losses, partners' salaries and drawings.
- Preparation of Partners Capital and Current Accounts.
- Preparation of Income Statement and Balance Sheet.

Introduction to simple Company Accounts

- The legal and financial framework of a Limited Company.
- Preparation of Income Statement and Balance Sheet.

Principles of Law I – Paper 2

Learning Outcomes

On the completion of this course the student will be able to:-

- Define and classify law.
- Explain the general principles of Uganda Law.
- Identify and explain the sources of Law in Uganda.
- Explain the legal systems and administration of Law in Uganda.
- Demonstrate an understanding of the laws governing contracts, partnerships and persons.
- Describe how companies are formed.

General Principles of Law

- Nature and classification of Law.
- Sources of Law in Uganda.
- Legal systems and administration of Law in Uganda.

Law of Persons

- Persons – Natural and artificial legal persons; Unincorporated associations.
- The doctrine of legal personality.

The Law of Contract

- Definition, classification and formation.
- Consideration and Privity.
- Contents of a contract.
- Form and terms of contracts.
- Misrepresentation; duress and undue influence; illegal and voidable contracts; mistake.
- Discharge of contract.
- Breach.
- Remedies for breach of contract.
- Contractual capacity.
- Assignment.
- Remedies and limitations of action.

Agency Law

- Definition, nature and purpose of agency.
- Creation of principal/agent relationship.
- Types of agents.
- Duties of a principal.
- Rights and duties of an agent.
- Principal and third parties.
- Agent and third parties.
- Termination of an agency relationship.

Partnerships

- Formation and termination of partnerships.
- The relationship of partners.
- Partnerships and third parties.

Incorporation and classification of companies.

- Definition of a company.
- Classification and distinction of companies.
- Procedure for registration of companies.
- Certificate of incorporation.
- Commencement of business.
- Characteristics of a company.
- The veil of incorporation.

Promotion and formation of companies.

- Promoters: Duties, remedies, remuneration, pre-incorporation contracts.
- Memorandum of Association: Contents, alterations, effects.
- Articles of Association – Contents, alterations, effects.

Business Mathematics & Statistics – Paper 3

Learning Outcomes

On completion of this course students will be able to:

- Compute business mathematical problems.
- Use decision-making tools.

SECTION A – MATHEMATICS

Basic Mathematics

- Percentages and proportions.
- Powers and roots – Addition and subtraction of powers.
- Variables and formulae.
- Equations – Linear, quadratic and simultaneous equations.
- Matrices:
 - Definition and description of a matrix.
 - Identification of data within a matrix.
 - Addition, subtraction and multiplication of matrices.
 - Null, identity and transition matrices.
 - Solve simultaneous equations using matrices.
- Sets Theory
 - The concept of a set and its elements – set notation elements of a set, finite and infinite sets, equal sets, universal sets, the null set.
 - Subsets – number of subsets in a set.
 - Venn diagrams and their applications.
 - Set operations – complement of sets, intersection, and union.
 - Cartesian product of sets – number of elements in the Cartesian product set, relations, functions.
 - Number of elements in groups of finite sets.
- Calculation of depreciation using straight line, reducing balance, revaluation, sinking fund, sum of digits, production units, and machine hours methods.

Differential Calculus

- Understand the role of differential calculus.
- Ability to differentiate.
- Use differential calculus to find marginal cost, marginal revenue and the profit-maximising level of output.
- Find the maximum and minimum points.
- Application of second derivatives to maximum and minimum points.

Mathematics of Finance

- Cash and trade discounts, commissions, mark-up and margins.
- Simple interest.
- Compound interest and effective rate.
- Present value and future value.
- Effective interest rate.
- Continuous compounding.
- Annuities.
- Sinking fund payments.
- Present value of an annuity.
- Amortisation.

SECTION B – STATISTICS

Data Collection

- Definition and types of data.
- Methods of data collection:- examples, merits and limitations.
- Sources of data.
- Definition of a sample.
- Explanation of sampling techniques.

Presentation of Data

- Present data in tables and frequency distributions.
- Prepare and interpret pictograms, pie charts, bar charts and histograms.
- Definition of graphs.
- Types of graphs i.e. ogives, Lorenz curve and Z charts:- interpretation, usefulness and limitations.

Measures of location

- Identify the measures of location i.e. arithmetic mean, geometric mean, harmonic mean, mode and median.
- Characteristics, merits and limitations of each measure of location.
- Calculate and present each measure of location on a graph.

Measures of Dispersion and Skewness

- Compare measures of dispersion, location and skewness.
- Identify the different bases on which the spread of data can be measured.
- Explain and derive the different measures of dispersion i.e. range, mean deviation, standard deviation, quantiles and quartile deviation.
- Explain the term skewness.
- Explain and derive measures of skewness i.e. coefficient of variation and Pearson's measures of Skewness.

Probability Theory and Distributions

- Explain the concept of probability.
- The basic rules of probability (mutually exclusive and independent events).
- Compute conditional probabilities, prior and posterior probabilities and expected values.
- Draw and evaluate decision trees.
- Explain the concept of probability distributions.
- Computation of permutations and combinations.
- Explanation and computation of normal, binominal and poisson distributions.

Introduction to index numbers

- Uses of index numbers.
- Simple indices-price and quantity.
- Weighted indices – prices and quantity, laspeyre and paasche indices.
- Consumer indices – price and quantity.

Commercial Environment – Paper 4

Learning Outcomes

On completion of this course the student will be able to:-

- Describe the environment in which businesses operate.
- Explain the operations of financial institutions.
- Demonstrate an understanding of the advertising function.
- Explain the importance of effective communication.
- Explain how to prepare for and conduct meetings and conferences.
- Communicate effectively.

SECTION A – COMMERCE

Scope of Commerce

- Production and distribution.
- Branches of commerce.
- Distinction between commerce and economics.
- Importance of commerce.

Business Organisations

- Types of: Sole traders, partnerships, cartels, companies, mergers, and state enterprises.
- Merits and demerits of each type of business organisation.

Trade

- Retail trade:
 - Definition of a retailer.
 - Functions of a retailer.
 - Types of retailers.
 - Advantages and disadvantages.
- Wholesale trade
 - Definition of a wholesaler.
 - Types of wholesalers.
 - Functions of wholesalers.
 - Advantages and disadvantages.
 - The commodity markets.

Banking Industry

- Development of banking.
- Types of banks.
- Functions of banks.

- Types of cheques.
- Role of the Central Bank.

Insurance Industry

- Importance of insurance.
- Insurable risks.
- Pooling of risks.
- Principles of insurance.
- Types of Insurance Companies.
- Insurance policies.
- Premium.
- Problems/shortcomings.

Capital Market

- Definition.
- Role of capital markets.
- Types of markets.
- Types of securities.
- The stock exchange
 - Importance.
 - Qualifications for listing.
 - Reasons for floatation.
 - The floatation team.
 - Procedures for issuing securities.
 - Factors affecting share prices.
 - Speculation.

Advertising

- Aims.
- Types.
- Media and agents.
- Advantages and disadvantages.
- Consumer protection.
- Sales promotions.
- Functions of the marketing department.

SECTION B – COMMUNICATION

Communication in Organisations

- Communication process.
- Formal and Informal communication.
- Methods of communication

- Oral
- Written
- Graphics
- Paralanguage/body language
- Touch
- Effective communication
 - Importance
 - Principles
 - Communication channels

Modes of communication

- Written:- Letters, memoranda, notices, press releases, notes, speeches, curriculum Vitae, summaries, essays.
- Electronic:- Fax, internet/e-mail, telex, telephone, telegram, audio-visual aids: diagrams, charts, tables, maps, pictures, tapes, projectors.

Meetings

- Preparing for meetings.
- Preparing the notice and agenda for meetings.
- Time management.
- Formats of minutes.
- Circulating information and documents.
- Terms used.
- Ethics.
- Filing and safe custody.
- Preparing work plans.
- Follow-up activities.

Conferences/Seminars/Workshops

- Preparation.
- Time management.
- Advertisement and Notices.
- Management.
- Resolutions.
- Follow-up activities.

Reports

- Types of reports.
- Organisation of written reports.
- Drafting reports.
- Uses of various types of reports.
- Presentation of reports.

Principles of Accounting II – Paper 5

Learning Outcomes

On completion of this course Students will be able to:-

- Identify and explain accounting concepts and conventions.
- Prepare financial statements of manufacturing concerns.
- Explain the features of public sector entities.
- Prepare financial statements of different business organisations and the public sector.
- Interpret financial statements.

Accounting Concepts and Conventions

Definitions and explanations of accounting concepts and conventions.

Partnership Accounts

- Identify the basic principles and formation procedures of partnerships.
- Preparation of Current Accounts, Capital Accounts, Income Statements and Balance Sheets of Partnerships.
- Accounting for changes in partnerships – on retirement, admission and change in profit-sharing arrangements. Including adjustments to assets (e.g. goodwill)
- Simple accounting procedures for the dissolution of a partnership – *Garner V. Murray*.

Accounting for Manufacturing Concerns

- Distinction between a Retailing and a Manufacturing business.
- Preparation of a manufacturing account and adjustment of work-in-process.
- Apportionment of expenses – production, selling and distribution, administration.
- Preparation of Financial Statements of a manufacturing concern from a trial balance (including adjustments)

Accounting for Limited Companies

- The legal and financial framework of limited companies.
- Accounting for the issue of shares and debentures.
- Preparation of financial statements of limited companies for internal use.

Specialised Accounts

For each type of specialised account, identify the particular circumstances and purposes for which it is prepared.

Prepare accounts in the required format for the particular situation.

Examples of such accounts are:

- Consignments accounts
- Bills of exchange
- Professional firms (including clients' accounts e.g. doctors, accountants, advocates, architects etc).

Preparation of Cash flow Statements

- Need for cash flow statements.
- Information required to be included in a cash flow statement.
- Methods of preparing cash flow statements.
- Cash flow statement in accordance with IAS 7.

Financial Analysis and Interpretation

- Need for interpreting accounting information.
- Identify, calculate and explain the various classes of accounting ratios, i.e. Activity, Financial and Investment ratios.

Public Sector Accounting

- The main features of public sector entities and preparation of simple accounts of such entities:
 - Central government.
 - Local government
- Comparison of Public Sector with Private Sector Accounting.

Principles of Law II – Paper 6

Learning Outcome

On completion of this course, the student will be able to:-

- Demonstrate an understanding of the laws governing torts and negotiable instruments.
- Demonstrate an understanding of the legal relationship between employers and employees.
- Explain share capital, debenture and membership issues of a company.
- Discuss the roles and responsibilities of the officers of a company.
- Explain the various legal forms of insolvency.

Law of Tort

- Definition
- Vicarious Liability.
- Negligence.
 - Duty of Care and Breach of duty.
 - Damage.
 - Contractual and tortious liability.
 - Employers', manufacturers' and professional negligence.
 - Liability for dangerous or defective premises.
- Breach of Statutory Duty.
- Torts concerning goods and land.
- Defamation.
- Defences and remedies.

Negotiable Instruments

- Definition and characteristics of negotiable instruments.
- Types of negotiable instruments.
- Cheques – Definition, nature, types, parties (and their rights and obligations), crossings, endorsements, dishonour, discharge, forgeries.
- Bills of exchange – Definition, nature, types, parties (and their rights and obligations), acceptance, negotiation, endorsement, dishonour, discharge, forgeries.

Employment Law

- Employer and employee – Employment Contract, rights and duties of parties to the Contract, duties of employers and employees.
- Discrimination.
- Termination of Contract of employment.

Share Capital.

- Meaning and types of share capital.
- Raising share capital:- offers, underwriting, brokerage, liability for misrepresentation and non-disclosure.
- Prospectus:- nature, issue, contents, liabilities and remedies.
- Allotment of shares:- application, notice, power, pre-emption rights, considerations, issues of shares at a discount and at a premium, restrictions on allotment.
- Shares:- Certificates, calls, transfer, priorities, restrictions on transfer, lieu, mortgage, forfeiture, surrender, conversion, register of members, annual returns, share warrants, variation of class rights, alterations and reduction of capital, purchase of own shares.

Debentures

- Definition and classification of debentures.
- Issue and transfer of debentures.
- Trust deed.
- Priority.
- Charges.
- Remedies of debenture holders.

Membership

- Eligibility for membership.
- Process of becoming a member.
- Termination of membership.
- Register of members.
- Annual return.

Meetings

- Statutory Meeting.
- Annual General Meeting.
- Other General Meetings.
- Notices of meetings.
- Proceedings at general meetings.

Directors and Secretary

- Status.
- Appointment.
- Publicity requirements.
- Power and duties.
- Remuneration.
- Directors' meetings.

- The Managing Director.
- Directors' interest in share or debentures.
- Disqualification and removal of directors.
- The Company Secretary.
- The register of directors and secretaries.
- Insider dealing.

Accounts and Company Auditors

- Accounts: Directors' responsibilities, types of accounts, directors' report.
- Auditors: Appointment, removal, qualification, rights, duties, resignation, remuneration, liability (negligence under the common law; civil and criminal liability).

Dividends

- Declaration and payment.
- Unlawful distributions.
- Capitalisation of profits.

Corporate Insolvency

- Winding up:- Types, grounds, petitioners, procedure, commencement and consequences, distribution of property, completion.
- The Liquidator:- Appointment and removal, remuneration, control over liquidator, powers and duties, liability and release.

Majority rule, Minority Protection and Investigations

- The rule of Foss v Harbottle.
- Action by shareholders.
- Statutory protection of the minority.
- Company investigations and inspections.

Economics – Paper 7

Learning Outcomes

On completion of this course the student will be able to:-

- Explain the nature and scope of economics.
- Describe major economic theories and models.
- Identify economic systems.
- Explain the main features of the Ugandan economy.
- Explain the basic features of international economics.
- Identify economic problems of allocating scarce resources.
- Differentiate between micro and macro economics.
- Demonstrate an understanding of the Uganda monetary and financial system.

Introduction

- Nature and scope
- Systems
- Classification

Price Theory

- The concepts of demand and supply.
- Determination of equilibrium price.
- The concept of elasticity and its applications.
- The Utility theory.
- The concept of price mechanism and its importance.
- Applications of price theory in price control and stabilisation of primary products, income and price.

Production Economics

- Meaning and purposes of production.
- Factors of production and their importance.
- The concept of mobility of factors of production.
- The law of diminishing returns.
- The concept of specialisation – its merits and limitations.
- Economies and diseconomies of scale.
- The existence of small firms.
- The concept of costs and revenue.
- Market structures:
 - Perfect and imperfect competition.
 - Price discrimination.
 - Price and output decisions.

- Merits and demerits of each type of market.

National Income

- Identification of the various concepts of National Income.
- The circular flow of income and expenditure.
- Determinants of national income and application of national income statistics.
- Estimation of national income – Approaches, uses, problems, and limitations.
- Income inequality and distribution.
- The concept of per capita income.
- The cost of living index.
- Multipliers and accelerators.
- Deflationary and inflationary gaps.
- The concept of savings and investments.

Money and Banking

- Money.
 - Meaning and evolution of money.
 - Barter trade – Its merits and demerits.
 - Qualities of good money and its functions.
 - Forms of money.
 - The theories of demand and supply of money.
 - The concept of a monetary economy.
- Banking
 - Definition of Banks.
 - Commercial banks (local and foreign) – Their role in the development process, functions, problems.
 - The credit creation process.
 - Non-Banking financial intermediaries – their role.
 - The concept of liquidity and profitability.
 - The Central Bank – Its definition, role and functions in the development process.
 - Monetary Policies

Public Finance and Fiscal Policy

- Sources of finance
- Taxation – structure, classification, principles, characteristics, incidence, merits and demerits.
- The budget process.
- Public debt – classification, sources, importance and limitations.
- The concept of deficit financing.
- Debt financing vs. taxation financing.

Inflation

- Definition, types, causes and effects.
- Theories of inflation.
- Control measures.
- The concept of deflation.

Population and Labour Economics

- Population
 - The theories of population.
 - Population changes and effects on the economy.
 - Population control and problems.
 - The concept of optimal population.
- Wage Theories
 - Identification of theories of wages.
 - Determination of wage differentials.
 - Trade unions and their activities.
- Unemployment
 - Definition, nature, types and causes.
 - Solutions to the unemployment problem.

International Trade

- Definition and the role of international trade in development.
- The Laws of comparative advantage and absolute advantage.
- Terms of trade, Balance of trade and payments.
- The effects and adjustments of balance of payments problems.
- Commercial policy – Free Trade vs. Protectionism.
- The concepts of devaluation and revaluation.
- Barter trade – Its benefits and limitations.
- The external debt problem.
- Economic integration – Its definition, origins, stages, successful implementation, benefits and shortcomings.
- Foreign aid – Its importance and problems.
- The foreign exchange problem – Meaning, sources, scarcity, foreign exchange reserves, foreign exchange rates (types, merits and demerits of each type).
- Institutions and agreements in international trade – GATT, WTO, UNCTAD, EC, IBRD, IMF etc.

Economic Growth and Development

- Definitions of economic growth and development.
- Growth vs. development.
- Stages of growth.
- The theories of growth and development.
- Characteristics of developing countries.
- Qualities of growth and development.
- Development strategies e.g. Import substitution vs. Export promotion, state intervention vs. free enterprise, balanced vs. unbalanced, agriculture vs. Industry etc.
- Development Planning
 - Definition of economic planning.
 - Types of plans.
 - Elements of a plan strategy.
 - Importance of economic planning.
 - Implementation of plans.

The Structure of Uganda's Economy

- The concept of dualism.
- Agriculture vs. Industrial Sectors.
- Subsistence vs. Monetary Sectors.
- Imports vs. Exports.
- Ownership of business organisations.
- The privatisation process.
- Economic dependence.
- Structural adjustment programmes.

Information Systems – Paper 8

Learning Outcomes

On completion of this course the student will be able to:-

- Identify and describe the nature, types and use of information.
- Identify and describe computer technology in a business context.
- Design and control information systems.
- Make reports on information systems.

General Systems Concepts

- Nature and types of systems.
- System architectures.
- Control and feedback in systems.
- Nature, types, value and role of information.
- Data vs. information.
- Management use of information – Decision theory, human information processing, transaction processing, communication, financial analysis.

Computer Hardware

- Types, uses and components of a computer.
- Input and output devices, processing speeds.
- Physical storage and communication devices.
- Computer generations and developments in Computer hardware.

Computer Software

- Types of computer software.
- Software configuration.
- Operating and communications software.
- Security and utility software.
- Programming languages and compilers.
- Programming aids and interactive programming software.
- Library and data management systems.
- Application software strategy.
- Small business systems.

Information Systems Environment

- Strategic considerations
 - Planning of information systems and components of long-term plans.
 - Integration of business objectives and success factors.
 - Participation in strategic plans.

- Administration and Finance
 - Organisation, staffing and reporting relationships.
 - Budgeting and cost control.
 - Access, availability and continuing control.

- Operational Considerations
 - Development of operational priorities.
 - Management of computer operations and inter-organisational computing (e.g. EDI, distributed systems, outsourced services etc.)

- Computer Networks and Data Transfer
 - Components, configurations and designs of networks.
 - Internet, intranet and extranet applications – e-commerce, knowledge management.
 - Data communication and transmission devices/software.
 - Message and document communication,
 - Operations, management and control.

- Applications of computers in business, education, accounting, banking and manufacturing.

Systems Analysis and Design

- Systems acquisitions
 - Systems acquisition development and alternatives.
 - Standards and controls in systems development projects.
- Management of systems maintenance and change.
- Management of end-user computing – Information Centres.
- Role of information in organisation design and behaviour.
- Techniques of systems analysis and design.
- Systems development life cycle phases, tasks and practices.
- Maintenance of control over system development processes.
- Evaluation of systems – Objectives, types, methods, techniques, results communication and follow up.
- Implementation of systems.
- Data Protection regulations.

Introduction to Management Accounting – Paper 9

Learning Outcomes

On completion of this course the student will be able to:-

- Identify elements of costs.
- Allocate and evaluate costs.
- Determine and explain variances.
- Calculate product costs under different methods of accounting.
- Identify relevant costs for decision-making.
- Explain the roles of Cost, Management and Financial Accounting.
- Identify and explain the ethical responsibilities of a Management Accountant.
- Describe the principles of budgeting and prepare budgets.

Classification of Costs

- Definitions of Cost, Management and Financial Accounting.
- The need for classifying costs and revenue.
- The term Cost Objectives.
- Methods of Cost Classification:-
 - E.g. Stock Costing: Period and Product Cost; Job and Process Costs; Elements of Manufacturing Costs – direct materials, indirect materials, Prime Cost, Manufacturing Overheads.
 - Costs for decision-making: Cost behaviour – variable and fixed costs; Relevant and Irrelevant Costs; Avoidable and Unavoidable Costs; Sunk Costs; Opportunity Costs; Marginal Incremental Costs.
 - Costs for Control – Controllable and Uncontrollable Costs; Cost behaviour.

Material and Labour Costing

- Materials control procedures.
- Use and comparison of FIFO, LIFO and average cost for stock valuation.
- Labour Cost Accounting and Payroll Accounting.
- Accounting treatment of stock losses, transportation and material handling costs, holiday pay, overtime premiums, employment costs, idle time.

Overheads Costs

- Procedure of allocating overheads to products.
- Departmental overhead rates vs. single blanket overhead rate.
- Preparation of overhead analysis sheets.
- Computation of departmental overhead absorption rates.
- Predetermined overhead rates vs. actual overhead rates.
- Accounting treatment of the under/over-recovery of overheads.
- Methods of inter-service department transfers.

- Methods of overhead recovery.

Job Costing

- Integrated and interlocking cost accounting systems.
- Preparation of accounts from integrated and interlocking cost accounting systems.
- Features of contract costing.
- Preparation of contract accounts and determination of attributable profit.

Process Costing

- Process and job costing.
- Preparation of process accounts.
- Accounting treatment for normal and abnormal gains/ losses.
- Process costing for decision-making and cost control.
- Batch costing.

Joint Product and by-product Costing

- Methods of apportioning joint costs to joint products.
- Accounting for by-products, scrap, waste and defective units.

Absorption Costing and Marginal Costing

- Elements of absorption costing and marginal costing.
- Prepare results statements under absorption and marginal costing and explain the differences.

CVP Analysis

- Definition of the accountant's and the economist's models of CVP analysis.
- Relevance of linear costs and revenue functions in the accountant's model.
- Computation and construction of simple graphs for break-even, contribution and profit-volume ratios.

Measuring relevant costs

- Definition of relevant and irrelevant costs.
- Significance of qualitative factors.
- Preparation of statements of relevant costs and revenues under the following decision problems:
 - Make or buy decisions.
 - Special selling price decisions.
 - Deletion of a segment.
 - Decision-making and the influence of limiting factors.

Standard Costing and Variance Analysis

- The setting of Standard Costs.
- Types of Standards.
- Operation of a Standard Costing System.
- Computation of variances from the Standard Costs.
- Reconciliation of actual with budgeted profits.
- Preparation of a departmental performance report.

Activity-based Costing (ABC)

- The shortcomings of traditional costing systems.
- Activity-based vs. traditional costing systems.
- Computation of product costing using an activity-based system.

Budgeting and Budgetary Control

- Define a budget.
- Purposes of preparing budgets and the conflicting roles of budgets.
- Stages in a budgeting process.
- Preparation of cash and departmental budgets.
- Distinction between fixed and flexible budgets.

Roles and ethical responsibilities of a Management Accountant.

Principles of Taxation – Paper 10

Learning Outcomes

On completion of this course the student will be able to:-

- Define and classify taxes in Uganda.
- Describe the administration of taxes in Uganda.
- Explain the tax system as it applies to individuals and businesses in Uganda.
- Compute simple income and value added taxes.
- Prepare and submit tax returns for individuals and companies.
- Show an understanding of tax assessments.
- Handle simple correspondence with tax authorities.

Elements of Taxation

- Definition of taxes and the history of taxation in Uganda.
- Reasons for levying taxes.
- Classification of taxes.
- Incidence of taxes.
- Principles of a good tax system.
- Taxable capacity.

Introduction to Tax Administration in Uganda.

- The structure, functions and procedures of the Uganda Revenue Authority (URA).
- The powers and duties of the Commissioner General of URA.
- Returns, assessments, due dates, objections and appeals, offences and penalties, repayment and settlement of Taxes.

Income Tax

- Legal provisions of the Income Tax Act: Allowable and disallowable deductions, taxable and exempt income, basis of assessments, capital allowances.
- Residence status of taxable persons.
- Definition and tax rates of taxable persons: Individuals, Partnerships, Corporations, Insurance Companies, Clubs, Societies, Amateur Sporting Association, and Trusts.
- Computation of taxable income i.e. employment, business, rental, dividend, interest, royalty, pension and retirement benefits,
- Total Income of Individuals
 - Employment income, business, rental, dividends, interest.
 - Tax-free income.
 - Computing the tax due and stating the dates of payment.
 - Treatment of income in special cases – husband and wife.
 - Treatment of income received on retirement and termination of contract of employment.

- Corporation Tax
 - Residence Status of a Company.
 - Initial start-up companies.
 - Computation of total profits and taxation thereon.
 - Treatment of returns.
- Introduction to Capital gains tax in Uganda
 - Scope and Principles.
 - Application.

Capital Allowances

- Wear and tear allowance.
- Initial allowance.
- Industrial building allowance.

Value Added Tax (VAT)

- Definition of VAT and its merits and demerits.
- Administration of VAT – operations of the VAT department, VAT registration, taxable persons, taxable supplies, exempt supplies, rates of tax, tax periods, returns, penalties, offences, deregistration, visits by VAT Officers.
- Powers and duties of the Commissioner.
- Rights and obligations of a registered trader.
- Determination of input & output tax.
- Refund procedures.

Customs and Excise Duties

- Operations of the department in charge of Customs and Excise duties.

Other Sources of Revenue

Fines, licences, lotteries, rates, compulsory saving schemes, government securities etc.

Business Management – Paper 11

Learning Outcomes

On completion of this course the student will be able to:

- Describe the environment within which businesses operate
- Define the objectives of businesses
- Detail the principles of management
- Explain the functional areas of management

The Business Environment

How the business environment can facilitate and/or constrain the activities of business.

Objectives of Business

Primary Objectives

- Growth, profit maximisation, survival

Secondary Objectives

- Market standing and share, innovation, productivity, and added value, acquisition and application of physical resources and technology, profitability in terms of return on capital employed (ROCE), employees and management, financial resources and social responsibility.

Conflict of Objectives

- Stakeholder analysis: identification of various stakeholder groups including their expectations and the level of power and influence they would have over an organisation.
- Stakeholder coalitions: how separate groups of stakeholders can increase their power and influence.
- Stakeholder mapping: in terms of level of power and interest.

Ethical Issues

- Arising from the nature of markets.
- Arising from the responsibility of business to society.
- Arising from the internal and industry practices of business.

Principles of Management

Planning

- Planning types and models: management by objectives, strategic plans, operational plans, contingency plans and planning time horizons.

Controlling

- Steps in the Tradition Control Process:
 - Establish standards of performance (e.g. financial quality etc)
 - Measure actual performance
 - Compare performance to standards
 - Feedback

Bureaucratic control versus decentralised control.

Co-ordinating

- Structure of the organisation e.g. functional. divisional, matrix
- Co-ordination: the need to keep departments working together. The importance of communication.

Leadership and Delegation

- The nature of leadership-: different types of power; legitimate, reward, coercive, expert and referent power.
- Leadership traits.
- Autocratic versus democratic leaders: the leadership continuum (Tannenbaum & Schmidt).
- Behavioural approaches: The leadership grid(Blake and McCanse).
- Contingency approaches developing towards situational theory.

Decision Making

- Types of decisions and problems.
 - Programmed and non-programmed decisions
- Decision making models
 - Classical model
 - Administrative model
- Decision making steps
 - Recognition of decision requirement.
 - Diagnosis and analysis of causes
 - Development of alternatives
 - Selection of desired alternative
 - Implementation of chosen alternative
 - Evaluation and feedback

Functional Areas of Management

Finance

- Four (4) major areas of expertise;
 - (a) Report
 - (b) Manage
 - (c) Audit
 - (d) Advise on the financial performance of an organisation.
- Four (4) types of accounting:
 - (a) Financial accounting - producing financial reports.
 - (b) Management accounting - assisting with management of organisations
 - (c) Auditing - checking statements and systems
 - (d) Consultancy and specialist accounting.
- Analysing Financial Statements
 - Trends and ratios
 - Comparing financial performance between companies

Marketing

- The definition of marketing
- Managing the marketing mix
 - (a) Product; the product life cycle, the need for new product development.
 - (b) Price, costs, competitors' prices, customer expectations.
 - (c) Place, chain of distribution.
 - (d) Promotion: advertising, sales promotions, public relations, direct selling.

Operations Management

- Purchasing and inbound logistics
- Manufacturing process
- Distribution and outbound logistics

Human Resource Management

- Stages in the appointment process; job description and person specification.
- Induction, training and development
- Motivation; Maslow's hierarchy, Herzberg's motivation (Hygiene theory), Victor Vroom' Valence theory (Expectancy theory)

Board of Directors

- Different members and roles; Chairman, The Chief Executive Officer, Executive and Non Executive Directors and Company Secretary.
- Corporate Governance; The Code of Best Practice.

Introduction to Financial Reporting – Paper 12

Learning Outcomes

On completion of this course the student will be able to:-

- Explain the regulatory framework of financial reporting in Uganda.
- Prepare financial statements suitable for publication.
- Prepare simple financial statements of public sector entities.
- Explain the need for and nature of auditing.
- Explain the basic principles and procedures of auditing.
- Describe computer auditing.

SECTION A – FINANCIAL ACCOUNTING

The Framework of Financial Reporting in Uganda

- Identification of the users of financial statements and their information needs.
- Identification and explanation of the objectives and qualitative characteristics of financial statements.
- Identification and explanation of the elements of financial statements.
- Identification of the need for the regulation of financial reporting.
- Description of the different forms of regulation.
 - Legal Framework – Identify the requirements of the Companies Act, Finance Act and The Local Authorities Statute.
 - International Accounting Standards.
 - Capital Markets Authority and Stock Exchanges – Explain the role of Capital Markets Authority and Stock Exchanges in setting reporting requirements.

Introduction to Accounting Standards

- The standards setting process.
- Merits and demerits of accounting standards.
- Application of standards on:
 - Presentation of financial statements.
 - Inventories.
 - Depreciation accounting.
 - Cash flow statements.
 - Construction contracts.
 - Property, plant and equipment.
 - Revenue.

Preparation of simple company Financial Statements for publication

- Income Statement and Balance Sheets.
- Cash flow statements.
- Statement of changes in equity.
- Statement of recognised gains and losses.
- Accounting for property, plant and equipment.

Specialised Accounts

For each type of specialised account, identify the particular circumstances and purposes for which it is prepared.

Prepare accounts for the following:

- Containers.
- Royalties.
- Joint ventures – Jointly controlled operations and assets.
- Investments and securities.
- Long term construction contracts

Public Sector Accounting

- Features of public sector entities – Central government, local government, quangos, state corporations, commissions and authorities:
- Accounting concepts and principles.
- Financial accounting techniques.
- Prepare simple financial statements of:
 - Central government.
 - Local government.
 - State corporations, commissions and authorities.

SECTION B – AUDIT THEORY

Audit Regulation in Uganda

- Definition of an audit.
- Distinction between auditing and accounting.
- The history and changing role of auditing.
- Purpose of auditing.
- Qualities of an auditor.
- Types of audits.
- Registration and authorisation of auditors.
- Appointment, rights and duties of company auditors.
- Resignation and dismissal of auditors.
- Auditing standards and guidelines.
- Professional code of conduct.

Conduct of an Audit

- Planning.
- Internal Control Systems.
- Audit Materiality.
- Audit of Income Statement items.
- Verification of assets and liabilities.
- Audit evidence:
 - Audit risk and assessment.
 - Analytical review procedures.
 - Audit sampling and testing techniques.
 - Related parties, subsequent events, and going-concern considerations.

Computer Auditing

- Audit in a computerised environment.

Internal Auditing

- Role of Internal Auditing.
- External vs. Internal Auditing.