



Qualification Specification for:

KPA Level 6 Diploma in  
Professional Accountancy  
(603/3050/8)

For Exams in 2025

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# Introduction

## About KPA

Kaplan Professional Awards (KPA) is a nationally recognised Awarding Organisation which offers high quality accredited qualifications. KPA works with national and local organisations to develop and widen access to high quality and flexible education and learning.

Our mission is to offer the best possible qualifications and resources, and to put these opportunities in the hands of as many people as possible.

## KPA Qualifications

KPA Qualifications are developed to ensure they provide a clear measure of the individuals' achievement while highlighting their ability to meet the requirements of the industry in which they wish to operate. KPA works with industry specialists to ensure the qualification modules/units and their assessments are set at a suitable level for the age range and industry requirements.

## Qualification summary

This specification will provide key information about the KPA Level 6 Diploma in Professional Accountancy (RQF) qualification.

This qualification is regulated by Ofqual and listed on Ofqual's Register of Regulated Qualifications:

Name of qualification	Qualification number
KPA Level 6 Diploma in Professional Accountancy (RQF)	(603/3050/8)

This qualification has been developed in collaboration with industry experts and meeting the required industry needs by working with industry regulators.

This qualification provides an opportunity for learners to develop and demonstrate their level of knowledge and understanding across a broad range of topics in professional accountancy.

Upon successful completion, learners will achieve a nationally recognised KPA Level 6 Diploma in Professional Accountancy (RQF).

The qualification is graded as pass or fail.

## Qualification Purpose

The KPA Level 6 Diploma in Professional Accountancy is a professional development programme, providing a comprehensive understanding of accountancy, finance and business. This helps the candidate to build the technical knowledge, professional skills, and practical experience needed to progress to the advanced level of the ICAEW/ACA qualification. Upon successful completion, candidates will achieve a nationally recognised KPA Level 6 Diploma in Professional Accountancy (RQF) qualification.

## Qualification objective

The objective of the KPA Level 6 Diploma in Professional Accountancy (RQF) qualification is to:

- provide an in-depth understanding across accountancy, finance and business
- prepare candidates for employment across the accountancy, finance and business sectors
- develop understanding of current and emerging sustainability-related issues
- provide understanding of the skills required to use and validate technologies supporting day-to-day work
- develop technical understanding of the ethical challenges that candidates may face in employment.

## Progression opportunities

The KPA Level 6 Diploma in Professional Accountancy provides Credits for Prior Learning (CPL) for the ICAEW/ACA Professional level, subject to application to ICAEW. Candidates will be able to progress to study the ICAEW/ACA advanced level qualification, which will, subject to other ICAEW criteria, allow a successful candidate to qualify as a Chartered Accountant with the ICAEW.

## Entry Requirements

This qualification is the perfect choice for individuals who are pursuing or progressing a career in professional accountancy. **Candidates who have completed the ICAEW/ACA certificate level (CFAB)** will be equipped with the technical knowledge and application skills necessary to tackle the KPA level 6 Diploma in Professional Accountancy.

Candidates must demonstrate completion of the ACA certificate level (CFAB) or exemptions from the ACA certificate level (CFAB) granted by the ICAEW.

## Exemptions and/or Recognition of Prior Learning (RPL)

KPA will recognise prior learning of ICAEW professional level subjects where assessments have been completed.

## Delivery Languages

This qualification is available in English only at this time.

For those whom English is not their first language we recommend the following standards of proficiency in English language skills or an approved equivalent for this qualification:

- IELTS 5.5
- Common European Framework of Reference (CEFR) B2
- Cambridge English Advanced (CAE) 162 or above
- Pearson Test of English (PTE) Academic 42-49

## Support and recognition

The KPA Level 6 Diploma in Professional Accountancy (RQF) qualification has industry support from:

- ICAEW

## Equality and diversity

KPA firmly believes in equality of opportunity for all who participate in our qualifications. It is our policy to ensure qualifications are:

- free from barriers that restrict access and progression
- attainable by all who can demonstrate the required standard
- free from discriminatory practices or stereotypes

All KPA approved centres and their staff are duty bound to be fully aware of their legal responsibilities in regard to equal opportunities, access and to monitor any changes in legislation. KPA reserves the right to withdraw centre approval status in the event of any proven discrimination. For further information please view the full KPA Equality Statement on our website or email [kpaenquiries@kaplan.co.uk](mailto:kpaenquiries@kaplan.co.uk) for a copy.

## Structure and Content

This qualification is composed of 6 units. The candidate must successfully complete all required assessments to obtain the qualification certification. The total qualification time for this qualification is 727 hours, which includes 711.5 hours of guided learning and 15.5 hours for assessment.

The Qualification consists of the following Mandatory Units:

Unit title	Assessment method	Level	GLH
Financial Accounting and Reporting: IFRS	Externally set and marked computer-based exam (3 hours)	6	147
Audit and Assurance	Externally set and marked computer-based exam (2.5 hours)	6	86.5
Financial Management	Externally set and marked computer-based exam (2.5 hours)	6	110.5
Business Strategy and Technology	Externally set and marked computer-based exam (2.5 hours)	6	86.5
Tax compliance	Externally set and marked computer-based exam (2.5 hours)	6	134.5
Business Planning: Taxation	Externally set and marked computer-based exam (2.5 hours)	6	146.5

### Assessment method

Each unit will be assessed by a computer-based examination. Each examination has a pass mark of 55%. Candidates will be permitted a maximum of four attempts at each unit.

### What will your computer-based exams look like?

For computer-based examinations, KPA designs and administers examinations using RM's Assessment Master digital exam platform. This intuitive, cloud-based platform allows us to provide:

- assistive technologies to improve the accessibility of your exam, such as changes to background and font size
- quality-assured marking, combining human expertise and technically enabled computer marking
- better data security as exam papers, candidate details and results are digitally stored with access restricted to the appropriate people.



## Offering the Qualification

This qualification is only available through KPA recognised centres. If you would like to find out more about either becoming a recognised centre or working in partnership with a recognised centre please email the KPA enquiries team on [kpaenquiries@kaplan.co.uk](mailto:kpaenquiries@kaplan.co.uk) or visit our website for more information.

### Becoming an approved KPA centre

To become an approved KPA centre you will be required to meet the approval criteria that will ensure the standard and quality of the qualification, and where applicable, its assessment delivery is maintained year on year. The approval criteria will include:

- governance
- resources
- candidate support and experience
- assessment and delivery arrangements
- external assessment arrangements
- quality assurance arrangements

Our dedicated support team will guide you through the application process and help to ensure you have all the information you need to deliver the qualification and assessment in the most effective way for your candidates.

All approved centres will be subject to KPA's ongoing regulatory processes, including centre visits, which will focus on the internal quality assurance process, management of the qualification delivery and the service provided to the candidate.

To learn more about [becoming a KPA centre](#) or working in partnership with a KPA centre, please [contact us](#).

### Certification & Fees

[Our Fees and Pricing brochure can be viewed on our website.](#)

## Qualification overview

The integrated components of the KPA Level 6 Diploma in Professional Accountancy (RQF) provide an in-depth understanding across accountancy, finance and business.

Each component (section 2) is designed to complement each other, which means that candidates can put theory into practice and can understand and apply what they learn in their day-to-day work.

KPA constantly reviews the content of this qualification to reflect real life business challenges. Today's most urgent business challenges range from sustainability, to rapid changes in technology and the role of ethics in the profession.

## KPA qualification and Sustainability

Finance and accounting professionals need to move beyond simply measuring and reporting the impact of climate change, environmental regulation, supply chain pressure and rising energy costs. They must focus on understanding these and other emerging sustainability-related implications, integrating them into financial management and business planning.

This syllabus and the ICAEW ethical and professional development framework contribute toward creating Chartered Accountants who recognise that sustainability is at the core of what they do and are capable of actively using their business skills to analyse how to make the new sustainable economy work for their business.

Despite some unfamiliar terminology associated with sustainability issues, there is much that is closely related to the skills and experience of Chartered Accountants: for example, the identification and management of risks, corporate governance, compliance with laws and regulations, design and operation of management control systems, measurement of liabilities and impaired assets, information reporting and assurance, financial instruments and new forms of taxation. Where the technical issues extend beyond an accountant's reach, working with other experts is already recognised as good practice.

## KPA qualification and Technology

Changes in technology have automated many routine aspects of accountancy. But with changes in technology also comes complexity and risk. Accountants need to adapt and develop new skills to manage these changes. While there are many new technology capabilities that have broad application across the business and consumer environment, seven trends have the greatest

potential to transform the accountancy profession:

- Artificial intelligence,
- Automation
- Blockchain,
- Cyber security
- Cloud computing
- Data and Digital Disruption

These and other innovations are likely to have a significant impact on the way that accountants access information, transact and manage business finances. Technology tools can provide information more quickly and often more accurately than humans, but they cannot replicate human intelligence and quality decision making, or effectively communicate the output of analysis. Therefore, chartered accountants hold key roles such as in validating the source of the data, interpreting and analysing the outputs, and ensuring the tools support effective management of the organisation.

As routine and compliance work reduces, there is greater focus on the development of skills which equip professionals to work with the outputs of automated processes, with other specialists, and in a changing world.

We believe that skills such as analysis, interpretation, professional scepticism, communication, collaboration, adaptability, resilience, and commerciality are essential for tomorrow's business leaders; these are embedded throughout the KPA exams and professional development framework.

## KPA qualification and Ethics

Culture and values are central to long-term success. How a business adopts an ethical approach towards its staff, shareholders, customers and regulators, as well as within its own operations, has a bigger impact than any performance measure or operational improvement.

Demonstrating a clear commitment to ethical behaviour is one of the main drivers of better performance; it delivers an advantage when recruiting, it adds value to a brand, and it instils trust and confidence in partners, suppliers and others that the organisation is well run and resilient.

Achieving that is not a matter of simple knowledge. Few ethical challenges will have simple right and wrong responses. They require technical understanding, rigorous appraisal, application of professional scepticism and skilful handling. Accountants must have the necessary skills to apply professional judgement in a given situation, taking into account what has been learned as a KPA candidate about their ethical responsibilities as a Chartered Accountant.

There will be unique ethical challenges throughout any Chartered Accountant's

process of learning and career. They serve a variety of masters: senior management, external stakeholders, regulators; and above all the public interest responsibility of their profession. Because of the rigorous and effective training (and continued professional development) chartered accountants can speak up and take a lead.

None of this can happen without one critical element: professionalism. That goes beyond merely knowing the Code of Ethics: it means embodying the right behaviours and having the ability and willingness to push back against those who might compromise the integrity of the business.

That confidence comes from a qualification that prioritises not only technical knowledge of the ethical framework but also challenges accountants with scenarios that accurately reflect the ethical dilemmas a Chartered Accountant may face in business.

# Components

## Professional Development

The KPA qualification focuses on candidates' ability and performance in seven key areas:

1. Adding value to the organisation, team or role in order to achieve objectives
2. Effective Communication (oral, written & presentation) to achieve positive outcomes
3. Effective decision making by gathering, interpreting and evaluating data
4. Ethical and professional behaviour that respects others and upholds the values of the organisation and the accountancy profession
5. Problem solve by analysing a problem, generating options and make recommendations to arrive at appropriate solutions
6. Teamwork by collaborating as a member or leader of a team to achieve shared goals
7. Technical competence in seeking, learning and using technology and technical information to support the achievement of organisation or team goals

## Ethics and Professional Scepticism

Ethics is more than just knowing the rules around integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. It's about identifying ethical dilemmas, understanding the implications, making judgements and behaving appropriately as well as using professional scepticism to build business trust.

We embed ethics into the KPA qualification to develop candidates' ethical capabilities in three ways:

1. Using the ICAEW Code of Ethics – provides fundamental ethical principles and the ability to apply safeguards to ethical threats.
2. Integration of ethical issues into all KPA exams – candidates are assessed on their understanding of, and reaction to, ethical dilemmas within the context of the subject matter of each exam.
3. Practical application of ethical skills and behaviours within the candidates daily work experience supported by their regular employer reviews and the professional development framework.

Apply professional scepticism that supports effective decision making in one or more of the following ways:

- Obtain and understand information relevant for making reliable judgements based on facts and circumstances known to them
- Make informed challenges on views developed by others

- Sensitivity and integrity of information, its source and appropriateness of its use
- Make judgement after consideration of all known and relevant available information
- Be alert to potential bias or other impediments to the proper exercise of professional judgement

## Professional Accountancy

The Professional Accountancy qualification consists of six exams that test candidates' understanding and ability to use technical knowledge in real-life scenarios.

The Professional Accountancy exams are 2.5 hours long, except for Financial Accounting and Reporting which is 3 hours long. Each exam has a 55% pass mark.

Prescribed texts are permitted for Audit and Assurance, Finance Accounting and Reporting and Tax Compliance, with the Business Planning exams being open book.

The Professional Accountancy exams are flexible and can be taken in any order to fit with a candidate's day-to-day work.

### Data analytics in exams

Chartered Accountants are increasingly using more advanced approaches to interrogate client data. Embedding these techniques within our exams ensures that we continue to reflect the current and future workplace and will also help to develop candidates' judgement, professional scepticism and critical thinking skills.

The use of data analytics in exams is split between the use of data analytics software and the use of spreadsheet functionality, as described below.

#### **Data analytics software**

KPA has incorporated data analytics software within the Audit and Assurance exam. Candidates are provided with a dataset including thousands of transactions.

They will be expected to use their data analytic skills to interrogate the data and identify areas of concern or items which warrant further investigation.

#### **Use of the spreadsheet functionality**

A number of spreadsheet functions have become part of the skills required of candidates. These cover three categories of data analysis, namely: structuring and assimilating data, statistical calculations and financial functions.

Within the Financial Management, Business Strategy and Technology exams candidates may be examined in the following ways:

Data will be provided in the question, and the candidate should populate the spreadsheet based on the data in the question.

A spreadsheet will be provided in the exam with pre-populated data for the candidate to structure, assimilate, interpret and evaluate.

## Skills progression through KPA exams

The complete set of professional skills that are required to be developed during the candidates training are detailed in the seven key areas of professional development (2.1). A subsection of these skills are embedded in the six modules and assessed in exams:

- Assimilating and using information – Understand a business or accounting situation, prioritise by determining key drivers, issues and requirements and identify and use relevant information.
- Structuring problems and solutions – Structure information from various sources into suitable formats for analysis and provide creative and pragmatic solutions in a business environment.
- Applying judgement - Apply professional scepticism and critical thinking to identify faults, gaps, inconsistencies and interactions from a range of relevant information sources and related issues to a business environment.
- Concluding, recommending and communicating – Apply technical knowledge, skills and experience to support reasoning and conclusion and formulate opinions, advice, plans, solutions, options and reservations based on valid evidence and communicate clearly in a manner suitable for the recipient.

<u>Assimilating &amp; using information</u>	FAR; AA; FM & TC	BPT & BST
<b>Understanding the situation and the requirements</b>	Scenarios	
<b>Identifying and using relevant information</b>	Single information source provided	Several information sources provided
<b>Identifying and prioritising key issues</b>	Issues included in scenarios	
<u>Structuring problems &amp; solutions</u>	FAR; AA; FM & TC	BPT & BST
<b>Structuring data</b>	Specified techniques	Techniques inferred by nature of problem
<b>Developing solutions</b>	Specified problems	
<u>Applying judgement</u>	FAR; AA; FM & TC	BPT & BST



<b>Applying professional scepticism and critical thinking</b>	Specified requirement in simple scenario	Specified requirement in scenario
<b>Relating issues to the broader business environment, including ethical issues</b>	Issues in scenarios	
<b><u>Concluding, recommending &amp; communicating</u></b>	<b>FAR; AA; FM &amp; TC</b>	<b>BPT &amp; BST</b>
<b>Concluding &amp; recommending</b>	Specified conclusions and recommendations in simple scenarios	
<b>communicating</b>	Exam requirements, including some professional presentation	

## Professional skills assessed in KPA exams

<b>Assimilating using information</b>		
<p>Understand the situation and the requirements:</p> <ul style="list-style-type: none"> <li>• Demonstrate understanding of the business context</li> <li>• Recognise new and complex ideas within a scenario</li> <li>• Identify the needs of customers and clients</li> <li>• Explain different stakeholder perspectives and interests</li> <li>• Identify risks within a scenario</li> <li>• Identify elements of uncertainty within a scenario</li> <li>• Identify ethical issues including public interest and sustainability issues</li> </ul>	<p>Identify and use relevant information:</p> <ul style="list-style-type: none"> <li>• Interpret information provided in various formats</li> <li>• Evaluate the relevance of information provided</li> <li>• Use multiple information sources</li> <li>• Filter information provided to identify critical facts</li> <li>• Identify and interpret information in data analytics software</li> </ul>	<p>Identify and prioritise key issues and stay on task:</p> <ul style="list-style-type: none"> <li>• Identify business and financial issues from a scenario</li> <li>• Prioritise key issues</li> <li>• Work effectively within time constraints</li> <li>• Operate to a brief in a given scenario</li> </ul>

within a scenario		
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### Structuring problems and solutions

#### Structure data

- Structure information from various sources into suitable formats for analysis
- Identify any information gaps
- Frame questions to clarify information
- Use a range of data types and sources to inform analysis and decision-making
- Structure and analyse financial and non-financial data to enhance understanding of business issues and their underlying causes
- Present analysis in accordance with instructions and criteria
- Use spreadsheets to assimilate, structure and analyse data

#### Develop solutions

- Identify and apply relevant technical knowledge and skills to analyse a specific problem
- Use structured information to identify evidence-based solutions
- Identify creative and pragmatic solutions in a business environment
- Identify opportunities to add value
- Identify and anticipate problems that may result from a decision
- Identify a range of possible solutions based on analysis
- Identify ethical dimensions of possible solutions
- Select appropriate courses of action using an ethical framework
- Identify the solution which is the best fit with acceptance criteria and objectives
- Define objectives and acceptance criteria for solutions

### Applying judgement

#### Apply professional scepticism and critical thinking:

- Recognise bias and varying quality in data and evidence
- Identify assumptions or faults in arguments
- Identify gaps in evidence
- Identify inconsistencies and contradictory information
- Assess interaction of information from different sources
- Exercise ethical judgement

#### Relate issues to the environment:

- Appreciate when more expert help is required
- Identify related issues in scenarios
- Assess different stakeholder perspectives when evaluating options
- Retain an overview of the business issue or scenario
- Appraise corporate responsibility and sustainability issues
- Appraise the effects of alternative

	<p>future scenarios</p> <ul style="list-style-type: none"><li>• Appraise ethical, public interest and regulatory issues</li></ul>
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## Concluding, recommending and communicating

### Conclusions

- Apply technical knowledge to support reasoning and conclusions
- Apply professional experience and evidence to support reasoning
- Use valid and different technical skills to formulate opinions, advice, plans, solutions, options and reservations.

### Recommendations

- Present recommendations in accordance with instructions and defined criteria
- Make recommendations in situations where risks and uncertainty exist
- Formulate opinions, advice, recommendations, plans, solutions, options and reservations based on valid evidence
- Make evidence-based recommendations which can be justified by reference to supporting data and other information
- Develop recommendations which combine different technical skills in a practical situation

### Communication

- Present a basic or routine memorandum or briefing note in writing in a clear and concise style
- Present analysis and recommendations in accordance with instructions
- Communicate clearly to a specialist or non-specialist audience in a manner suitable for the recipient
- Prepare the advice, report, or notes required in a clear and concise style

## Units

How the qualification works

This qualification is made up of unit(s) representing a small block of learning focusing on a particular topic or area of study relevant to the qualification.

The syllabus is updated annually to ensure that the syllabus remains fit for purpose and can include amendments to cater for technical changes, clarification of learning outcomes, inclusion of new areas of knowledge, removal of content no longer relevant within the qualification.

Each unit includes a:

1. Level – which indicates the unit difficulty
2. Total Qualification Time (TQT) - the total amount of time a typical learner would take to complete the different activities to demonstrate achievement of the learning outcomes of a whole qualification. TQT includes guided learning hours (GLH) plus tutor directed unsupervised learning and assessment activities.
3. Unit aims - these are a series of abilities which trainees will possess once they complete the learning and assessment for this particular module.
4. Method of assessment - this sets out the length and structure of the exam for each module.
5. Ethics and professional scepticism - candidates are assessed on their understanding of, and reaction to, ethical dilemmas within the context of the subject matter of each unit. The application of professional scepticism and critical thinking are a crucial part of the exercise of ethical judgement.
6. Specification grid - each unit aims to create a syllabus area of technical and skills-based learning. The specification grid assigns an assessment weighting to each syllabus area, which indicates the proportion of learning represented by each syllabus area in the exam.
7. Learning outcome – statement of our expectations of the learner and what the learner can expect to know, understand or do as a result of a process of learning.
8. Skills Assessed - each unit identifies the specific skills that are assessed and how they are assessed.

### Understanding learning outcomes

There are two main types of learning outcome:

- skills that can be performed
- knowledge that can be learned

It's possible that they can cover a combination of the two.

### Competence/Skills based learning outcomes:

- Linked to a practical skill that can demonstrate competence and/or performance of a specific activity or skill.

### Knowledge based learning outcomes:

- Reflects evidence that can be recorded in ways other than observation.

#### Achievement at level 6

The candidate:

- Has advanced practical, conceptual or technological knowledge and understanding of a subject or field of work to create ways forward in contexts where there are many interacting factors.
- Understands different perspectives, approaches or schools of thought and the theories that underpin them.
- Can critically analyse, interpret and evaluate complex information, concepts and ideas.

The candidate can:

- Determine, refine, adapt and use appropriate methods and advanced cognitive and practical skills to address problems that have limited definition and involve many interacting factors.
- Use and, where appropriate, design relevant research and development to inform actions.
- Evaluate actions, methods and results and their implications.

## Audit and Assurance

<b>Level</b>	6	<b>Code</b>	L6-Dip-AA
<b>GLH</b>	147	<b>TQT</b>	149.5
<b>Unit aim</b>	<p>To develop candidates' understanding of the critical aspects of managing an assurance engagement (including audit engagements): acceptance, planning, managing, concluding and reporting.</p> <p>On completion of this module, candidates will be able to:</p> <ul style="list-style-type: none"> <li>• understand and advise on the regulatory, professional and ethical issues relevant to those carrying out an assurance engagement;</li> <li>• understand the processes involved in accepting and managing assurance engagements;</li> <li>• understand how quality assurance processes mitigate risks;</li> <li>• plan assurance engagements in accordance with the terms of the engagements and appropriate auditing and assurance standards; and</li> <li>• conclude and report on assurance engagements in accordance with the terms of the engagements and appropriate standards.</li> </ul> <p>The regulations relating to auditing, assurance and financial reporting will have international application and are therefore based upon and international auditing and assurance pronouncements (including standards and guidance for auditors issued by the Financial Reporting Council) and International Financial Reporting Standards (IFRS® Standards).</p>		
<b>Assessment method</b>	<p>The Audit and Assurance exam is 2 hours 30 minutes long. The exam will consist of four or five short-form questions and three longer questions. The exam will test each of the three syllabus areas in accordance with the weightings set out in the specification grid and candidates may use the permitted text 'Auditing Standards for exams in 2025'.</p>		
<b>Ethics and professional scepticism</b>	<p>Ethical thinking is fundamental to the conduct of a sound audit. A specific weighting given to legal and other professional regulations, ethics, accepting and managing engagements and current issues is shown in the table below. In addition to this a separate learning outcome covers planning and performing engagements and the potential risks involved. Candidates will also be required to demonstrate the crucial role of professional scepticism in the judgement they apply.</p>		
<b>Sustainability</b>	<p>The application of sustainability knowledge and understanding gained at Certificate Level, and built on in</p>		

these modules, is a key progression for the ICAEW chartered accountant at Professional Level. Candidates will be expected to understand more advanced sustainability-related concepts and their audit and assurance implications, for example, the impact of sustainability-related and climate-related risks and opportunities on audit and assurance. This is an important foundation to the sustainability aspects of audit, assurance and corporate reporting.

## Syllabus Grid

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

Syllabus area	Weighting (%)
1. Legal and other professional regulations, ethics, accepting and managing engagements and current issues	20-25
2. Planning and performing engagements	50-60
3. Concluding and reporting on engagements	20-25

## Learning Outcomes

### 1 Legal and other professional regulations, ethics, accepting and managing engagements and current issues

Candidates will be able to understand and advise on the regulatory, professional and ethical issues relevant to those accepting, managing and carrying out assurance engagements. Candidates will be able to understand the processes involved in accepting and managing assurance engagements and how quality assurance processes mitigate the risks to those conducting the engagement.

In the assessment, candidates may be required to:

#### All assurance engagements

- a. identify and advise upon the legal, professional and ethical issues that may arise before accepting or during a specified assurance engagement;
- b. discuss the issues which underlie the agreement of the scope and terms of an assurance engagement (new or continuing);
- c. recognise the professional and ethical issues that may arise during an assurance engagement, explain the relevance and importance of these issues;



- d. judge when to raise legal and ethical matters arising from assurance work with senior colleagues for review and possible referral to external parties, including reporting suspicions of money laundering;
- e. formulate the approach suitable for management of the assurance engagement;
- f. explain the principles and purposes of quality management of assurance engagements;
- g. demonstrate how quality management processes improve the quality of assurance work;
- h. describe how quality can be monitored and managed through procedures external to the organisation;
- i. discuss the purposes and consequences of UK laws and other regulatory requirements surrounding assurance work;
- j. explain, in non-technical language, significant current issues (including sustainability-related and climate-related risks and opportunities) being dealt with by the accountancy profession, government bodies, the national standard-setting body and the IAASB;
- k. explain, using appropriate examples, the main ways in which sustainability and climate change affects assurance; and

### **Audit engagements**

- l. explain the main ways in which national legislation and other regulations affect the scope and nature of the audit and the appointment and removal of auditors (including the relationship between the law and auditing standards).

## **2 Planning and performing engagements**

Candidates will be able to plan and perform assurance engagements in accordance with the terms of the engagements and appropriate standards.

In the assessment, candidates may be required to:

### **All assurance engagements**

- a. explain, in the context of a given scenario, why it is important to have an understanding of the business when planning an engagement;
- b. identify ways of gaining an understanding of a client's business;
- c. recognise the circumstances under which it may be necessary to bring in expertise (including expertise in technology) from other parties to support assurance processes;
- d. identify the risks arising from, or affecting, a given set of business processes (including risks associated with sustainability and climate change, technology security and GDPR) and circumstances and assess their implications for the engagement;
- e. identify the risks arising from error, fraud and non-compliance with law and other regulations, including sustainability and climate change and GDPR, and assess their implications for the engagement;
- f. assess significant business risks (including risks associated with going concern, sustainability and climate change, technology and GDPR) identified for their

potential impact upon an organisation, in particular their potential impact on performance measurement;

g. identify the components of risk for a specified assurance engagement;

h. assess the impact of risk and materiality on the engagement plan of assurance procedures to be performed on historical and prospective information, including the nature, timing and extent of assurance procedures, for a given organisation;

i. discuss the benefits and limitations of analytical procedures (including data analytics) at the planning stage;

j. determine an approach appropriate for an engagement for a specified organisation which addresses:

- possible reliance on controls (including those within IT systems)
- use of technology during an assurance engagement (including data analytics software)
- the organisation's adoption of technology
- using the work of internal audit
- using the work of other experts
- using the work of another auditor
- probable extent of tests of controls and of substantive procedures, including analytical procedures and data analytics
- the nature and extent of client-generated information, including reliability of clients' reports and underlying system-generated data
- the probable number, timing, staffing and location of assurance visits; and
- the financial statement implications of sustainability and climate change, including sustainability-related and climate-related risks and opportunities;

k. analyse and interpret data extracted from an organisation's accounting records and reflected in data analytics software to identify trends and risks of misstatement;

### **Audit engagements**

l. identify the components of audit risk for a specified audit engagement, including the breakdown of audit risk into inherent risk, control risk and detection risk;

m. outline the aspects of law and regulation which are relevant to statutory audit;

n. specify and explain the steps necessary to plan, perform, conclude and report on the audit of the financial statements of a non-specialised profit-oriented entity in accordance with the terms of the engagement including appropriate auditing standards; and

o. evaluate the impact of risk and materiality in preparing the audit plan, including the nature, timing and extent of audit procedures.

### **3 Concluding and reporting on engagements**

Candidates will be able to conclude and report on assurance engagements in accordance with the terms of the engagements and appropriate standards.

In the assessment, candidates may be required to:

**All assurance engagements**

- a. describe the nature and timing of specific procedures designed to identify subsequent events that may require adjustment or disclosure in relation to the matters being reported on;
- b. describe the nature and timing of specific procedures designed to identify the appropriateness of the going concern assumption, including compliance with relevant legal and regulatory requirements;
- c. evaluate quantitatively and qualitatively, the results and conclusions obtained from assurance procedures including analytical procedures and data analytics where appropriate;
- d. draw conclusions on the ability to report on an assurance engagement which are consistent with the results of the assurance work;
- e. draft suitable extracts for an assurance report (including any report to those charged with governance issued as part of the engagement) in relation to a specified organisation on the basis of given information, including in the extracts (where appropriate) statements of facts, their potential effects, and recommendations for action relevant to the needs and nature of the organisation being reported upon;
- f. advise on reports to be issued to those charged with governance in accordance with, standards legislation, regulation and codes of corporate governance;
- g. judge when to refer reporting matters for specialist help;

**Audit engagements**

- h. draw conclusions on the ability to report on an audit engagement, including the opinion for a statutory audit, which are consistent with the results of the audit work;
- i. explain the elements (both explicit and implicit) of the auditor’s report issued in accordance with the International Standards on Auditing and statutory requirements and recommend the nature of an audit opinion to be given in such a report; and
- j. draft suitable extracts for an auditor’s report (and any report to those charged with governance issued as part of the engagement) in relation to a specified organisation on the basis of given information, including in the extracts (where appropriate) statements of facts, their potential effects, and recommendations for action relevant to the needs and nature of the organisation being reported upon.

**Skills Assessed**

**Assimilating and using information**

Understand the situation and the requirements:	Identify and use relevant information: <ul style="list-style-type: none"><li>● Interpret information</li></ul>	Identify and prioritise key issues and stay on task:
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<ul style="list-style-type: none"> <li>● Identify the needs of customers and clients.</li> <li>● Explain different stakeholder perspectives and interests.</li> <li>● Identify risks within a scenario.</li> <li>● Identify elements of uncertainty within a scenario.</li> <li>● Identify ethical issues including public interest and sustainability issues within a scenario.</li> </ul>	<p>provided in various formats.</p> <ul style="list-style-type: none"> <li>● Evaluate the relevance of information provided.</li> <li>● Filter information provided to identify critical facts.</li> <li>● Identify and interpret information in data analytics software.</li> </ul>	<ul style="list-style-type: none"> <li>● Identify business and financial issues from a scenario.</li> <li>● Work effectively within time constraints.</li> <li>● Operate to a brief in a given scenario.</li> </ul>
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### How skills are assessed

candidates may be required to demonstrate:

- the regulatory, professional and ethical issues relevant to accepting, carrying out and managing assurance engagements;
- how quality assurance processes mitigate risks;
- an ability to identify relevant information in data analytics software in order to suggest actions that need to be taken; and
- an ability to respond to instructions from a line manager, a partner or a client request, making judgements where required and taking ethical considerations into account.

### Applying judgement

<p>Apply professional scepticism and critical thinking:</p> <ul style="list-style-type: none"> <li>● Recognise bias and varying quality in data and evidence.</li> <li>● Identify assumptions or faults in arguments.</li> <li>● Identify gaps in evidence.</li> <li>● Identify inconsistencies and contradictory information.</li> <li>● Assess interaction of information from different sources.</li> <li>● Exercise ethical judgement.</li> </ul>	<p>Relate issues to the environment:</p> <ul style="list-style-type: none"> <li>● Appreciate when more expert help is required.</li> <li>● Identify related issues in scenarios.</li> <li>● Assess different stakeholder perspectives when evaluating options.</li> <li>● Retain an overview of the business issue or scenario.</li> <li>● Appraise the effects of alternative future scenarios.</li> <li>● Appraise ethical, public interest and regulatory issues.</li> </ul>
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### How skills are assessed

Candidates may be required to:

- identify business risks and audit risks, including significant risks, from a given scenario, explain their impact on the financial statements, and recommend audit procedures to mitigate the risk of a material error. Requirements will test the ability of candidates to filter those issues which are more relevant than others in a given scenario;
- distinguish the quality of data or evidence to be tested in two potential ways. (i) candidates will need to distinguish between data generated from within an organisation and that generated by a third party, the latter being less susceptible to management bias; and (ii) candidates will need to appreciate the effect on the quality of evidence that bias caused by specific factors can have eg, where profits are used to determine a bonus payment to be made to the company's management;
- identify the impact of specific factors on a set of financial statements eg, economic, political, sustainability-related and climate-related factors;
- evaluate the effect of uncertain future events when describing the procedures to be performed in carrying out an examination of a company's financial forecasts;
- assess the materiality of a particular matter (eg, an unadjusted error) in the context of a set of financial statements or other financial information. This assessment should then inform the candidate's judgement as to whether or not to modify the opinion given in a statutory auditor's report or modify the conclusion in a non-audit assurance report;
- judge the potential independence risks involved in accepting or continuing an audit or other assurance engagement, and the procedures to mitigate those risks; and consideration of the required steps upon the discovery of fraud/money laundering; and
- display the ability to present a structured argument to a client eg, in situations where management is questioning the extent of audit work performed.

### Concluding, recommending and communicating

<p>Conclusions:</p> <ul style="list-style-type: none"><li>• Apply technical knowledge to support reasoning and conclusions.</li><li>• Apply professional experience and evidence to support reasoning.</li><li>• Use valid and different technical</li></ul>	<p>Recommendations:</p> <ul style="list-style-type: none"><li>• Present recommendations in accordance with instructions and defined criteria.</li><li>• Make recommendations in situations where risks and uncertainty exist.</li></ul>	<p>Communication:</p> <ul style="list-style-type: none"><li>• Present a basic or routine memorandum or briefing note in writing in a clear and concise style.</li><li>• Present analysis and recommendations in accordance with instructions.</li></ul>
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<p>skills to formulate opinions, advice, plans, solutions, options and reservations.</p>	<ul style="list-style-type: none"> <li>● Formulate opinions, advice, recommendations, plans, solutions, options and reservations based on valid evidence.</li> <li>● Make evidence-based recommendations which can be justified by reference to supporting data and other information.</li> <li>● Develop recommendations which combine different technical skills in a practical situation.</li> </ul>	<ul style="list-style-type: none"> <li>● Communicate clearly to a specialist or non-specialist audience in a manner suitable for the recipient.</li> <li>● Prepare the advice, report, or notes required in a clear and concise style.</li> </ul>
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**How skills are assessed**

Candidates may be required to:

- advise on the regulatory, professional and ethical issues in carrying out an assurance engagement;
- conclude and report on assurance engagements, including determining whether to modify a report with or without a modified opinion/conclusion; and
- identify deficiencies in financial information systems, their potential consequences and recommendations for improvement.

## Business Strategy and Technology

<b>Level</b>	6	<b>Code</b>	L6-Dip-BST
<b>GLH</b>	86.5	<b>TQT</b>	89
<b>Unit aim</b>	<p>To provide candidates with an understanding of how an organisation develops, implements and monitors strategy, including any ethical implications.</p> <p>On completion of this module, candidates will be able to:</p> <ul style="list-style-type: none"> <li>• explain, analyse and evaluate the consequences of an organisation's current strategic direction including objectives, market position and technology developments;</li> <li>• use data to evaluate the likely consequences of strategic choices and technology developments, and recommend strategies to meet the objectives of an organisation; and</li> <li>• recommend appropriate methods for an organisation to implement and monitor strategies including strategies for technology and innovation, and demonstrate how data can be used subsequently to measure and monitor strategic performance.</li> </ul>		
<b>Assessment method</b>	<p>The Business Strategy and Technology exam is 2 hours 30 minutes long. The exam will consist of three scenario-based questions, covering a range of different industries and types of organisation. Each question will cover one or more syllabus areas.</p>		
<b>Ethics and professional scepticism</b>	<p>Ethics must underpin sound strategic and technological development for a business. Sustainability and the interests of all stakeholder groups are key considerations. Related learning outcomes are interwoven through the syllabus areas of Strategic analysis, Strategic choice and Implementation and monitoring of strategy. Candidates are expected to develop their skills to ensure business trust and professional scepticism are paramount.</p>		
<b>Sustainability</b>	<p>The application of sustainability knowledge and understanding gained at Certificate Level is a key progression for the ICAEW chartered accountant at Professional Level. Candidates will be expected to understand more advanced sustainability-related concepts and their business implications, for example, the different stakeholder perspectives on sustainability and climate change, and how they relate to sustainability versus the concept of Environmental, Social and Governance (ESG). This is an important foundation to considering relevant aspects of sustainability when analysing, choosing and implementing business strategy and risk management.</p>		

## Syllabus Grid

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

Syllabus area	Weighting (%)
1. Strategic analysis	30-40
2. Strategic choice	30-40
3. Implementation and monitoring of strategy	25-35

## Learning Outcomes

### 1 Strategic analysis

Candidates will be able to explain, analyse and evaluate the consequences of an organisation's current strategic direction including objectives, market position and technology developments.

In the assessment, candidates may be required to:

- a. evaluate an organisation's purpose, in terms of its stated mission, objectives and critical success factors, highlighting omissions, inconsistencies and weaknesses, and considering the different objectives of stakeholders;
- b. analyse the sustainability issues and the environmental, social and governance (ESG) factors which influence the organisation's current strategy, highlighting their likely impact on the success of the organisation;
- c. analyse the external factors which may impact upon an organisation's performance and position, evaluating significant issues in areas such as:
  - natural capital and climate change
  - macroeconomic forces
  - international trade, financial systems and global economic factors
  - government policies
  - its industry and markets, including competition
  - cultural environment
  - stakeholder, ecosystem and participant impact
  - markets for finance, labour and other resources
  - supply chain factors
  - technology developments;
- d. explain and evaluate the significance and impact of the internal factors which affect or may influence an organisation's ability to achieve its chosen strategy, including its:
  - current resources
  - product/service portfolio



- value chain and networks
  - organisational, operational and technological capabilities (including core competencies, existing business processes, human capital and workforce flexibility);
- e. analyse an organisation's current markets and competitive strategy in sufficient detail for decisions to be made, drawing conclusions consistent with the qualitative and quantitative data available and highlighting relevant issues in terms of their likely impact on the strategy of the organisation;
  - f. explain and evaluate the risks attached to an organisation's present position, using all relevant qualitative and quantitative data, and considering attitudes to risk, security and cyber security;
  - g. explain and evaluate the ethical and business trust factors to be considered in determining the scope and nature of an organisation's objectives and its strategic analysis, giving appropriate consideration to the legitimate interests of all stakeholder groups and the public interest;
  - h. explain and analyse an organisation's current position and performance using financial and non-financial data from internal and external sources, presented in different formats including visualisations;
  - i. explain and evaluate different types of data distributions and data trends using appropriate statistical tools, data analysis and spreadsheets, including consideration of cause and effect and the implications for business risk;
  - j. evaluate and interpret data provided, including identifying and explaining the causes and effects of different types of data bias, and applying an appropriate degree of professional scepticism; and
  - k. assimilate, structure and analyse transactions and other granular data provided, using spreadsheets.

## **2 Strategic choice**

Candidates will be able to use data to evaluate the likely consequences of strategic choices and technology developments and recommend strategies to meet the objectives of an organisation.

In the assessment, candidates may be required to:

- a. explain and demonstrate how to capture and analyse qualitative and quantitative data, presented in different formats, to provide relevant information for decision making at an appropriate level within an organisation;
- b. explain and evaluate the risks attached to proposed courses of action in a given situation, considering all relevant factors and assumptions made and select and justify strategies for managing risk;
- c. explain and demonstrate how an organisation compares and selects from competing strategies in order to maximise the achievement of its key objectives;
- d. evaluate the sustainability and ESG implications of a strategy or combination of strategies;
- e. evaluate the ethical implications of an organisation's strategies and operations for the organisation and for individuals, including the accountant in business and others;

- f. select and justify a strategy or combination of strategies which will best achieve the organisation's objectives, taking account of known constraints and capabilities, including stakeholder risk preferences and the potential for developing technologies to increase or mitigate risks;
- g. explain and demonstrate how products and services can evolve in the face of developing technologies, consumer demand and industry competition;
- h. explain and demonstrate how to position particular products and services in the market place to maximise competitive advantage and develop a marketing strategy by selecting, capturing and analysing relevant data;
- i. explain and demonstrate how management information can be used to evaluate an organisation's proposed strategies, including forecasting financial performance and the risk associated with forecasts;
- j. evaluate the value of information and limitations of data, having regard to data variability, data bias and risk, and considering the ethical implications of the selection, capture, analysis and use of data; and
- k. organise, structure and assimilate historic and estimated data in appropriate ways, using available statistical tools, data analysis and spreadsheets, to support business decisions.

### **3 Implementation and monitoring of strategy**

Candidates will be able to recommend appropriate methods for an organisation to implement and monitor strategies including strategies for technology and innovation, and demonstrate how data can be used subsequently to measure and monitor strategic performance.

In the assessment, candidates may be required to:

- a. evaluate how an organisation's overall strategy can be achieved by implementing appropriate functional strategies, including the role of the finance function as business partner;
- b. evaluate how strategies for technology and innovation, workforce flexibility, remote and hybrid working and shared service centres, can support the organisation's achievement of its overall strategy;
- c. evaluate and recommend an organisational structure appropriate to the strategy, taking into account a range of strategic, operational and functional factors;
- d. explain and analyse the governance structure of an organisation and justify the steps needed to develop its corporate governance to meet the needs of its stakeholders, its strategic objectives and its compliance requirements;
- e. select and evaluate methods of further developing an organisation which adjust existing strategies or implement new strategies to take account of changing position and risk;
- f. explain and evaluate the form and content of an organisation's business plan;
- g. prepare a business plan, or extracts, which will achieve given or implied objectives;
- h. explain and demonstrate how qualitative and quantitative data, including forecasts, budgets and other management information presented in a range of

- formats, can be analysed to monitor the performance of an organisation's projects, divisions and other strategic units;
- i. explain and analyse how an organisation can implement and monitor sustainability and ESG policies;
  - j. explain and demonstrate how data can be selected, structured, assimilated and analysed using spreadsheets to provide management with information to monitor or modify strategic or operating decisions, having regard to data variability, data bias and risk, and applying an appropriate degree of professional scepticism;
  - k. explain and evaluate how an organisation can select, capture, analyse and use data, including big data, to provide management with information that enables it to implement, monitor and modify a strategy and to create or sustain competitive advantage;
  - l. explain and justify the key issues which should be addressed by the management of an organisation during the planning and implementation of change; and
  - m. explain and evaluate the ethical, sustainability, ESG and public interest implications of how an organisation chooses to implement and modify its strategies, suggesting appropriate courses of action to resolve ethical dilemmas that may arise.

## Skills Assessed

### Assimilating and using information

<p>Understand the situation and the requirements:</p> <ul style="list-style-type: none"> <li>● Demonstrate understanding of the business context.</li> <li>● Recognise new and complex ideas within a scenario.</li> <li>● Identify and explain the needs of customers and clients.</li> <li>● Explain different stakeholder perspectives and interests.</li> <li>● Identify and evaluate risks within a scenario.</li> </ul>	<p>Identify and use relevant information:</p> <ul style="list-style-type: none"> <li>● Interpret information provided in various formats.</li> <li>● Evaluate the relevance of information provided.</li> <li>● Filter information provided to identify critical facts.</li> </ul>	<p>Identify and prioritise key issues and stay on task:</p> <ul style="list-style-type: none"> <li>● Identify and explain business and financial issues from a scenario.</li> <li>● Prioritise key issues.</li> <li>● Work effectively within time constraints.</li> <li>● Operate to a brief in a given scenario.</li> </ul>
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<ul style="list-style-type: none"> <li>● Identify and evaluate elements of uncertainty within a scenario.</li> <li>● Identify and explain ethical issues including public interest and sustainability issues within a scenario.</li> </ul>		
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**How skills are assessed**

Candidates may be required to:

- understand key information from the scenario provided;
- understand the context of the scenario in terms of type of business, industry and wider context;
- recognise key ethical issues for an accountant undertaking work in accounting and reporting; and
- recognise specific issues that may arise in the context of the situation described.

**Structuring problems and solutions**

<p>Structure data:</p> <ul style="list-style-type: none"> <li>● Use spreadsheets to assimilate, structure and analyse data.</li> <li>● Structure information from various sources into suitable formats for analysis.</li> <li>● Identify any information gaps and appraise their significance.</li> <li>● Frame questions to clarify information.</li> <li>● Use a range of data types and sources to inform analysis and decision making.</li> <li>● Structure and analyse financial and non-financial data to enhance understanding of business issues and their underlying causes.</li> <li>● Present analysis in accordance with instructions and criteria.</li> </ul>	<p>Develop solutions:</p> <ul style="list-style-type: none"> <li>● Identify and apply relevant technical knowledge and skills to analyse a specific problem.</li> <li>● Use structured information to identify evidence-based solutions.</li> <li>● Identify and evaluate creative and pragmatic solutions in a business environment.</li> <li>● Identify and explain opportunities to add value.</li> <li>● Identify and evaluate problems that may result from a decision.</li> <li>● Identify and evaluate a range of possible solutions based on analysis.</li> <li>● Identify and explain ethical dimensions of possible solutions.</li> <li>● Select appropriate courses of action using an ethical framework.</li> <li>● Identify and evaluate the solution which is the best fit with</li> </ul>
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	<p>acceptance criteria and objectives.</p> <ul style="list-style-type: none"> <li>Define objectives and acceptance criteria for solutions.</li> </ul>
<p><b>How skills are assessed</b></p> <p>Candidates may be required to:</p> <ul style="list-style-type: none"> <li>identify and use information, including data visualisations, to define key business issues;</li> <li>demonstrate understanding of the business, its strategy, industry and wider context.</li> <li>demonstrate the impact of ethics on the objectives and methods of an organisation;</li> <li>identify and explain the ethical and sustainability implications of strategic proposals;</li> <li>demonstrate relevant technical knowledge;</li> <li>perform appropriate analysis of numerical data using spreadsheets and demonstrate an understanding of what is relevant; and</li> <li>use data analysis to develop and illustrate an answer.</li> </ul>	

## Applying judgement

<p>Apply professional scepticism and critical thinking:</p> <ul style="list-style-type: none"> <li>Recognise and evaluate bias and varying quality in data and evidence.</li> <li>Identify and appraise assumptions or faults in arguments.</li> <li>Identify and evaluate gaps in evidence.</li> <li>Identify and appraise inconsistencies and contradictory information.</li> <li>Assess interaction of information from different sources.</li> <li>Exercise ethical judgement.</li> </ul>	<p>Relate issues to the environment:</p> <ul style="list-style-type: none"> <li>Appreciate when more expert help is required.</li> <li>Identify related issues in scenarios.</li> <li>Assess different stakeholder perspectives when evaluating options.</li> <li>Retain an overview of the business issue or scenario.</li> <li>Appraise corporate responsibility and sustainability issues.</li> <li>Appraise the effects of alternative future scenarios.</li> <li>Appraise ethical, public interest and regulatory issues.</li> </ul>
<p><b>How skills are assessed</b></p> <p>Candidates may be required to:</p> <ul style="list-style-type: none"> <li>evaluate the impact of a business proposal on an entity;</li> <li>assess the reliability, accuracy and limitations of any analysis performed;</li> <li>be able to produce arguments integrating numerical and descriptive analysis;</li> </ul>	

- prioritise the issues facing an entity;
- identify and appraise links and relationships between different issues affecting an entity and use these to establish priorities;
- evaluate options for an organisation, taking into account its stakeholders, objectives, priorities, available resources and ethical obligations; and
- provide reasons for the rejection of alternatives.

### Concluding, recommending and communicating

<p>Conclusions:</p> <ul style="list-style-type: none"> <li>• Apply technical knowledge to support reasoning and conclusions.</li> <li>• Apply professional experience and evidence to support reasoning.</li> <li>• Use valid and different technical skills to formulate opinions, advice, plans, solutions, options and reservations.</li> </ul>	<p>Recommendations:</p> <ul style="list-style-type: none"> <li>• Present recommendations in accordance with instructions and defined criteria.</li> <li>• Make recommendations in situations where risks and uncertainty exist.</li> <li>• Formulate opinions, advice, recommendations, plans, solutions, options and reservations based on valid evidence.</li> <li>• Make evidence-based recommendations which can be justified by reference to supporting data and other information.</li> <li>• Develop recommendations which combine different technical skills in a practical situation.</li> </ul>	<p>Communication:</p> <ul style="list-style-type: none"> <li>• Present a basic or routine memorandum or briefing note in writing in a clear and concise style.</li> <li>• Present analysis and recommendations in accordance with instructions.</li> <li>• Communicate clearly to a specialist or non-specialist audience in a manner suitable for the recipient.</li> <li>• Prepare the advice, report, or notes required in a clear and concise style.</li> </ul>
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#### How skills are assessed

Candidates may be required to:

- draw realistic conclusions from an analysis of data and the information

provided;

- prepare a report or memorandum structured according to the requirements of the scenario, with appropriate context;
- provide reasoned advice based on an understanding of the business and the relevant scenario, including an assessment of possible alternatives;
- recommend suitable courses of action in a given situation; and
- identify and evaluate risks and outline reservations about the advice.

## Financial Accounting and Reporting: IFRS

<b>Level</b>	6	<b>Code</b>	L6-Dip-FAR
<b>GLH</b>	110.5	<b>TQT</b>	113.5
<b>Unit aim</b>	<p>To enable candidates to prepare complete single entity and consolidated financial statements, and extracts from those financial statements, covering a wide range of International Financial Reporting Standards (IFRS® Accounting Standards and IFRS® Sustainability Disclosure Standards).</p> <p>Candidates will also be required to explain accounting and reporting concepts and ethical issues, and the application of International Financial Reporting Standards to specified single entity or group scenarios.</p> <p>On completion of this module, candidates will be able to:</p> <ul style="list-style-type: none"> <li>• explain the contribution and inherent limitations of financial statements, apply the IFRS Conceptual Framework for Financial Reporting and identify and explain key ethical issues;</li> <li>• prepare and present financial statements from accounting data for single entities in conformity with IFRS® Accounting Standards and IFRS® Sustainability Disclosure Standards and explain the application of IFRS® Accounting Standards and IFRS® Sustainability Disclosure Standards to specified single entity scenarios;</li> <li>• analyse and interpret financial and non-financial information which has been prepared in conformity with International Financial Reporting Standards</li> <li>• identify the circumstances in which entities are required to present consolidated financial statements, prepare and present them in conformity with IFRS® Accounting Standards and explain the application of IFRS® Accounting Standards to specified group scenarios; and</li> <li>• describe the principal differences between IFRS® Accounting Standards and UK GAAP and prepare simple extracts from financial statements in accordance with UK GAAP, for both single entity and consolidated financial statements.</li> </ul> <p>Learning outcomes apply to non-specialised profit-oriented entities unless otherwise specified.</p>		
<b>Assessment method</b>	<p>The Financial Accounting and Reporting: IFRS exam is 3 hours long. The exam contains four written test questions. Candidates may use the permitted texts 'The IFRS Accounting Standards - Required 1 January 2023. 3 Vols.' and 'IFRS Sustainability Disclosure Standard June 2023;.</p> <p>The module will include:</p>		



	<p>a. preparation of single entity financial statements (excluding statement of cash flows) from trial balance, using proformas;  b. preparation of consolidated financial statements (excluding consolidated statement of cash flows) from single entity financial statements, using proformas; and  c. explanation of the application of IFRS® Accounting Standards and IFRS® Sustainability Disclosure Standards to specified scenarios, with supporting calculations; and  d. analysis and interpretation of financial and non-financial information.</p> <p>Other question types could include:  a. preparation of a full consolidated statement of cash flows;  or  b. a mixed or single topic question requiring extracts from single entity or consolidated financial statements (including from statement of cash flows) or preparation of a revised single entity statement of cash flows, and/or explanation of financial reporting treatment with supporting calculations and/or calculations of specified figures.</p> <p>Concepts, ethics, sustainability and UK GAAP will be tested in any of the questions.</p>
<p><b>Ethics and professional scepticism</b></p>	<p>Ethical thinking must be the mainstay for honest, true, fair and prudent financial accounting and reporting. The ability to identify and explain ethical issues is examined specifically under the syllabus area 'Accounting and reporting concepts and ethics'. Over and above this ethical thinking and professional scepticism will be required to be applied in the exercise of all judgements.</p>
<p><b>Sustainability</b></p>	<p>The application of sustainability knowledge and understanding is a key skill for all ICAEW chartered accountants. Candidates will be expected to understand an entity's sustainability related risks and opportunities that could reasonably be expected to affect an entity's prospects. Candidates should be able to identify the information that is useful to users of general purpose financial statements in making decisions relating to providing resources to the entity. Developing an understanding of sustainability principles and their integration within accounting and reporting frameworks.</p>

## Syllabus Grid

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

Syllabus area	Weighting (%)
1. Accounting and reporting concepts and ethics	10-15
2. Single entity financial statements	60-70
3. Consolidated financial statements	20-25

## Learning Outcomes

### 1 Accounting and reporting concepts and ethics

Candidates will be able to explain the contribution and inherent limitations of financial statements, apply the International Accounting Standards Board's conceptual framework for financial reporting and identify and explain key ethical issues.

In the assessment, candidates may be required to:

- a. explain the standard-setting process used by UK and international bodies and the authority of UK and international standards;
- b. explain the objectives and inherent limitations of financial statements, giving appropriate examples;
- c. explain the qualitative characteristics of financial information and the constraints on such information, using appropriate examples to illustrate the explanation;
- d. identify the effects of transactions in accordance with the IFRS Conceptual Framework for Financial Reporting;
- e. discuss the concepts of 'fair presentation' and 'true and fair view' and the circumstances in which these concepts may override the detailed provisions of legislation or of accounting standards;
- f. discuss the impact of sustainability and climate-related risks and opportunities on the preparation of the financial statements;
- g. explain the differences between financial statements produced using the accrual basis and those produced using the bases of cash accounting and break-up, performing simple calculations to illustrate the differences;
- h. explain, in non-technical language, the different bases of measurement of the elements of the financial statements, illustrating the explanation with simple calculations and examples;
- i. explain and demonstrate the concepts and principles surrounding the consolidation of financial statements; and
- j. identify and explain the ethical and professional issues for a professional accountant undertaking work in financial accounting and reporting and identify appropriate action.

### 2 Single entity financial statements

Candidates will be able to prepare and present financial statements from accounting data for single entities in conformity with IFRS® Accounting Standards and IFRS® Sustainability Disclosure requirements, relevant laws and regulations and explain the application of IFRS® Standards to specified single entity scenarios.

In the assessment, candidates may be required to:

- a. calculate from financial and other data the amounts to be included in an entity's financial statements according to the international financial reporting framework;
- b. prepare and present the financial statements, including specified disclosures or extracts, of an entity in accordance with its accounting policies and appropriate international financial reporting standards;
- c. explain the application of IFRS® Accounting Standards and IFRS® Sustainability Standards to specified single entity scenarios;
- d. analyse and interpret financial and non-financial information to identify significant features, inconsistencies, limitations and draw conclusions;
- e. describe the principal differences between IFRS® Accounting Standards and UK GAAP (FRS 102 and Companies Act 2006) and prepare simple extracts from single entity financial statements in accordance with UK GAAP; and
- f. define and calculate from information provided the distributable profits of an entity.

### **3 Consolidated financial statements**

Candidates will be able to identify the circumstances in which entities are required to present consolidated financial statements, prepare and present them from single entity financial statements in conformity with IFRS® Accounting Standards requirements, relevant laws and regulations and explain the application of IFRS® Accounting Standards to specified group scenarios.

In the assessment, candidates may be required to:

- a. identify and describe the circumstances in which an entity is required to prepare and present consolidated financial statements;
- b. identify from financial and other data any subsidiary, associate or joint venture of an entity according to the international financial reporting framework;
- c. calculate from financial and other data the amounts to be included in an entity's consolidated financial statements in respect of its new, continuing and discontinued interests in subsidiaries, associates and joint ventures (excluding partial disposals of subsidiaries and disposals of associates or joint ventures) according to the international financial reporting framework;
- d. prepare and present the consolidated financial statements, or extracts, of an entity in accordance with its accounting policies and appropriate international financial reporting standards;
- e. explain the application of IFRS® Accounting Standards to specified group scenarios; and

f. describe the principal differences between IFRS® Accounting Standards and UK GAAP (FRS 102) and prepare simple extracts from consolidated financial statements in accordance with UK GAAP (FRS 102).

## Skills Assessed

### Assimilating and using information

<p>Understand the situation and the requirements:</p> <ul style="list-style-type: none"> <li>• Demonstrate understanding of the business context.</li> <li>• Recognise new and complex ideas within a scenario.</li> <li>• Explain different stakeholder perspectives and interests.</li> <li>• Explain ethical issues with given scenarios.</li> </ul>	<p>Identify and use relevant information:</p> <ul style="list-style-type: none"> <li>• Interpret information provided in various formats.</li> <li>• Evaluate the relevance of information provided.</li> <li>• Filter information provided to identify critical facts.</li> </ul>	<p>Identify and prioritise key issues and stay on task:</p> <ul style="list-style-type: none"> <li>• Identify business and financial issues from a scenario.</li> <li>• Prioritise key issues.</li> <li>• Work effectively within time constraints.</li> <li>• Operate to a brief in a given scenario.</li> </ul>
<p><b>How skills are assessed</b></p> <p>Candidates may be required to:</p> <ul style="list-style-type: none"> <li>• Explain the inherent limitations of financial statements;</li> <li>• Apply the IFRS Conceptual Framework for Financial Reporting to a given scenario;</li> <li>• Consider the impact of sustainability and climate-related risks and opportunities on the preparation of the financial statements;</li> <li>• Recognise key ethical issues for an accountant undertaking work in accounting and reporting;</li> <li>• Identify international financial reporting standards, relevant laws and regulation and any other requirements applicable to the financial statements (both single entity and consolidated); and</li> <li>• Recognise specific issues that may arise in the context of the situation described.</li> </ul>		

### Structuring problems and solutions

<p>Structure data:</p> <ul style="list-style-type: none"> <li>• Structure information from</li> </ul>	<p>Develop solutions:</p> <ul style="list-style-type: none"> <li>• Identify and apply relevant</li> </ul>
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<p>various sources into suitable formats for analysis.</p>	<p>technical knowledge and skills to analyse a specific problem.</p> <ul style="list-style-type: none"> <li>• Use structured information to identify evidence-based solutions.</li> <li>• Select appropriate courses of action using an ethical framework.</li> <li>• Identify the solution which is the best fit with acceptance criteria and objectives.</li> </ul>
<p><b>How skills are assessed</b></p> <p>Candidates may be required to:</p> <ul style="list-style-type: none"> <li>• Apply the IFRS Conceptual Framework for Financial Reporting to identify the financial effects of transactions;</li> <li>• Apply knowledge of International Financial Reporting Standards through explanation and calculation;</li> <li>• Prepare and present financial statements (including disclosure), or extracts (both single entity and consolidated) using proformas, in conformity with International Financial Reporting Standards;</li> <li>• Analyse and interpret information to provide useful insights into performance, and identify inconsistencies and limitations of information;</li> <li>• Explain the principal differences between IFRS® Accounting Standards and UK GAAP; and</li> <li>• Identify ethical issues and use ethical codes to formulate solutions and provide advice.</li> </ul>	

## Applying judgement

<p>Apply professional scepticism and critical thinking:</p> <ul style="list-style-type: none"> <li>• Recognise bias and varying quality in data and evidence.</li> <li>• Identify inconsistencies of information presented.</li> <li>• Identify faults in arguments.</li> <li>• Exercise ethical judgement.</li> </ul>	<p>Relate issues to the environment:</p> <ul style="list-style-type: none"> <li>• Identify related issues in scenarios.</li> <li>• Identify limitations of information presented.</li> <li>• Appraise ethical, public interest and regulatory issues.</li> </ul>
<p><b>How skills are assessed</b></p> <p>Candidates may be required to:</p> <ul style="list-style-type: none"> <li>• Use judgement to assess the appropriate accounting treatment (including disclosure) for transactions described in the scenarios in respect of both single entity and consolidated financial statements; and</li> <li>• Identify ethical issues and use ethical codes to formulate solutions and provide advice.</li> </ul>	

## Concluding, recommending and communicating

<p>Conclusions:</p> <ul style="list-style-type: none"><li>• Apply technical knowledge to support reasoning and conclusions.</li><li>• Use valid and different technical skills to formulate opinions, advice, plans, solutions, options and reservations.</li></ul>	<p>Communication:</p> <ul style="list-style-type: none"><li>• Communicate clearly to a specialist or non-specialist audience in a manner suitable for the recipient.</li><li>• Prepare the advice, report, or notes required in a clear and concise style.</li></ul>
<p><b>How skills are assessed</b></p> <p>Candidates may be required to:</p> <ul style="list-style-type: none"><li>• Explain accounting and reporting concepts in non-technical language;</li><li>• Explain, with supporting calculations and disclosure, the appropriate accounting treatment for transactions described in the scenario (both single entity and consolidated financial statements);</li><li>• Prepare and present financial statements (including disclosure), or extracts (both single entity and consolidated financial statements) in conformity with international financial reporting standards;</li><li>• Identify significant features in information through analysis and interpretation;</li><li>• Explain the principal differences between IFRS® Accounting Standards and UK GAAP; and</li><li>• Explain ethical issues and provide possible solutions.</li></ul>	

## Financial Management

<b>Level</b>	6	<b>Code</b>	L6-Dip-FM
<b>GLH</b>	86.5	<b>TQT</b>	89
<b>Unit aim</b>	<p>To enable candidates to recommend relevant options for financing a business, recognise and manage financial risks and make appropriate investment decisions.</p> <p>On completion of this module, candidates will be able to:</p> <ul style="list-style-type: none"> <li>• identify capital requirements of businesses, assess financing options and recommend relevant methods of financing;</li> <li>• identify the financial risks facing a business and the principal methods of managing those risks; and</li> <li>• apply appropriate investment appraisal techniques taking into account other factors affecting investment decisions.</li> </ul>		
<b>Assessment method</b>	<p>The Financial Management exam is 2 hours 30 minutes long. The exam consists of three questions. Managing financial risk will be assessed as a discrete topic. The other two questions will assess financing options and investment decisions and valuation either as discrete or integrated topics.</p>		
<b>Ethics and professional scepticism</b>	<p>In identifying financing options, managing financial risk and arriving at appropriate investment decisions, underlying ethical thinking is a requirement. The implications of financial strategy for all stakeholders must be evaluated and any ethical dilemmas resolved. Candidates will also be expected to apply professional scepticism and critical thinking when making all judgements.</p>		
<b>Sustainability</b>	<p>The application of sustainability knowledge and understanding gained at Certificate Level (in Management Information and Business Finance and Technology), and built on in this module, is a key progression for the ICAEW chartered accountant at Professional Level. Candidates will be expected to understand more advanced sustainability-related concepts and their business implications, for example, the different stakeholder perspectives on sustainability and how they relate to sustainability versus the concept of Environmental, Social and Governance (ESG). This is an important foundation to integrating relevant aspects of sustainability into financial management in areas such as risk management, finance and setting targets and measuring performance.</p>		

## Syllabus Grid

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

Syllabus area	Weighting (%)
1. Financing options	35
2. Managing financial risk	30
3. Investment decisions and valuation	35

## Learning Outcomes

### 1 Financing options

Candidates will be able to identify capital requirements of businesses and assess financing options.

In the assessment, candidates may be required to:

- a. explain the general objectives of financial management, identify and apply the fundamental principles of financial economics and describe the financial strategy process for a business;
- b. explain the roles played by different stakeholders, advisors and financial institutions in the financial strategy selected by a business and identify possible conflicts of objectives including those relating to sustainability issues;
- c. evaluate the ethical implications of an entity's financial strategy (including those for the organisation, individuals and other stakeholders) and recommend appropriate courses of action to resolve any ethical and sustainability dilemmas that may arise;
- d. describe and analyse the impact of financial markets (including the extent to which they are efficient) and other external factors on a business's financial strategy;
- e. explain the implications of terms included in loan agreements in a given scenario (eg, representations and warranties; covenants; guarantees);
- f. identify the significance and effect of developing technologies on financing decisions;
- g. calculate and interpret the costs of different sources of finance (before and after tax) and the weighted average cost of capital;
- h. explain, in non-technical terms and using appropriate examples, the effect of capital gearing both on investors' perception of risk and reward and the weighted average cost of capital;
- i. calculate and justify an appropriate discount rate for use in an investment appraisal taking account of both the risk of the investment and its financing;



- j. compare the features of different means of making returns to lenders and owners (including dividend policy), explain their effects on the business and its stakeholders, and recommend appropriate options in a given scenario;
- k. forecast the capital requirements for a business taking into account current and planned activities and/or assess the suitability of different financing options (including green finance) to meet those requirements, comparing the financing costs and benefits, referring to levels of uncertainty and making reasonable assumptions which are consistent with the situation;
- l. construct a straightforward investment and financing plan for a given business scenario; and
- m. organise, structure and assimilate data in appropriate ways, using available statistical tools, data analysis and spreadsheets, to support business decisions.

## **2 Managing financial risk**

Candidates will be able to identify the main price and overseas trading risks facing a business and the principal methods of managing those risks.

In the assessment, candidates may be required to:

- a. identify and describe the key price risks facing a business in a given scenario;
- b. explain how financial instruments (eg, derivatives, hedging instruments) can be used to manage price risks and describe the characteristics of those instruments;
- c. discuss different methods of managing interest rate risk appropriate to a given situation, perform calculations to determine the cost of hedging that risk and select the most suitable method of hedging;
- d. discuss different methods of managing currency (including cryptocurrency) risks appropriate to a given situation, perform calculations to determine the cost of hedging that risk and select the most suitable method of hedging;
- e. discuss different methods of managing share price risk, perform calculations to determine the cost of hedging that risk and select the most suitable method of hedging; and
- f. explain the additional risks of trading abroad and outline the methods available for reducing those risks.

## **3 Investment decisions and valuation**

Candidates will be able to apply investment appraisal techniques and calculate the value of shares and businesses.

In the assessment, candidates may be required to:

- a. outline the investment decision making process and explain how investment decisions are linked to shareholder value;
- b. appraise an investment from information supplied, taking account of relevant cash flows, inflation and tax;
- c. calculate and examine the sensitivity of an investment decision to changes in the input factors;

- d. discuss how the interpretation of results from an investment appraisal can be influenced by an assessment of risk, including the impact of data analytics and sustainability issues on that risk assessment;
- e. explain how the results of the appraisal of projects are affected by the accuracy of the data on which they are based and strategic factors (such as real options and sustainability issues) which could not be included in the computational analysis;
- f. identify in the business and financial environment factors that may affect investment in a different country;
- g. calculate the optimal investment plan when capital is restricted;
- h. recommend and justify a course of action which is based upon the results of an investment appraisal and consideration of relevant non-financial factors such as sustainability and which takes account of the limitations of the techniques being used;
- i. describe options for reconstruction eg, merger, takeover, spin-off, purchase of own shares and calculate the value of minority and majority shareholdings in traditional and new technology businesses using income, asset based and other approaches as relevant; and
- j. organise, structure and assimilate data in appropriate ways, using available statistical tools, data analysis and spreadsheets, to support business decisions.

## Skills Assessed

### Assimilating and using information

<p>Understand the situation and the requirements:</p> <ul style="list-style-type: none"> <li>● Demonstrate understanding of the business context.</li> <li>● Recognise new and complex ideas within a scenario.</li> <li>● Identify the needs of customers and clients.</li> <li>● Explain different stakeholder perspectives and interests.</li> <li>● Identify risks within a scenario.</li> <li>● Identify elements of uncertainty within a</li> </ul>	<p>Identify and use relevant information:</p> <ul style="list-style-type: none"> <li>● Interpret information provided in various formats.</li> <li>● Evaluate the relevance of information provided.</li> <li>● Filter information provided to identify critical facts.</li> </ul>	<p>Identify and prioritise key issues and stay on task:</p> <ul style="list-style-type: none"> <li>● Identify business, financial and sustainability issues from a scenario.</li> <li>● Prioritise key issues.</li> <li>● Work effectively within time constraints.</li> <li>● Operate to a brief in a given scenario.</li> </ul>
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scenario. <ul style="list-style-type: none"> <li>• Explain ethical and sustainability issues within given scenarios.</li> </ul>		
<p><b>How skills are assessed</b></p> <p>Candidates may be required to demonstrate:</p> <ul style="list-style-type: none"> <li>• absorb and understand both structured and unstructured material including that provided in spreadsheets; and</li> <li>• give recommendations based on their understanding and interpretation of the information provided, supported by explanation of the reasoning behind and implications of their recommendations.</li> </ul>		

### Structuring problems and solutions

<p>Structure data:</p> <ul style="list-style-type: none"> <li>• Structure information from various sources into suitable formats for analysis.</li> <li>• Identify any information gaps.</li> <li>• Structure and analyse financial and non-financial data to enhance understanding of business issues and their underlying causes.</li> <li>• Present analysis in accordance with instructions and criteria.</li> </ul>	<p>Develop solutions:</p> <ul style="list-style-type: none"> <li>• Identify and apply relevant technical knowledge and skills to analyse a specific problem.</li> <li>• Identify creative and pragmatic solutions in a business environment.</li> <li>• Identify opportunities to add value.</li> <li>• Identify and anticipate problems that may result from a decision.</li> <li>• Identify a range of possible solutions based on analysis.</li> <li>• Identify ethical dimensions of possible solutions.</li> <li>• Select appropriate courses of action using an ethical and sustainability framework.</li> <li>• Identify the solution which is the best fit with acceptance criteria and objectives.</li> <li>• Define objectives and acceptance criteria for solutions.</li> </ul>
<p><b>How skills are assessed</b></p> <p>Candidates may be required to:</p> <ul style="list-style-type: none"> <li>• assimilate significant amounts of information including information provided visually and in spreadsheets, to analyse it (using quantitative analysis including statistical tools) in a way that demonstrates relevant</li> </ul>	

technical knowledge and to draw and support appropriate conclusions

### Applying judgement

<p>Apply professional scepticism and critical thinking:</p> <ul style="list-style-type: none"> <li>• Identify and appraise assumptions or faults in arguments.</li> <li>• Identify gaps in evidence.</li> <li>• Identify inconsistencies and contradictory information.</li> <li>• Recognise and evaluate bias and varying quality in data.</li> <li>• Exercise ethical judgement.</li> </ul>	<p>Relate issues to the environment:</p> <ul style="list-style-type: none"> <li>• Identify related issues in scenarios.</li> <li>• Assess different stakeholder perspectives when evaluating options.</li> <li>• Retain an overview of the business issue or scenario.</li> <li>• Appraise sustainability issues.</li> <li>• Appraise the effects of alternative future scenarios.</li> <li>• Appraise ethical, public interest and regulatory issues.</li> </ul>
<p><b>How skills are assessed</b></p> <p>Candidates may be required to:</p> <ul style="list-style-type: none"> <li>• make sense of relatively large volumes of data including data provided visually and in spreadsheets, making judgments on the relevance of data for use in subsequent calculations and discussions;</li> <li>• reflect on their calculations and the methodology employed and to identify and discuss the implications of calculations;</li> <li>• make and justify judgements based on earlier calculations.</li> </ul>	

### Concluding, recommending and communicating

<p>Conclusions:</p> <ul style="list-style-type: none"> <li>• Apply technical knowledge to support reasoning and conclusions.</li> <li>• Use valid and different technical skills to formulate opinions, advice, plans, solutions, options and reservations.</li> </ul>	<p>Recommendations:</p> <ul style="list-style-type: none"> <li>• Present recommendations in accordance with instructions and defined criteria.</li> <li>• Make recommendations in situations where risks and uncertainty exist.</li> <li>• Formulate opinions, advice, recommendations,</li> </ul>	<p>Communication:</p> <ul style="list-style-type: none"> <li>• Present a basic or routine memorandum or briefing note in writing in a clear and concise style.</li> <li>• Present analysis and recommendations in accordance with instructions.</li> <li>• Communicate clearly to a specialist or non-specialist</li> </ul>
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	<p>plans, solutions, options and reservations based on valid evidence.</p> <ul style="list-style-type: none"> <li>• Develop recommendations which combine different technical skills in a practical situation.</li> </ul>	<p>audience in a manner suitable for the recipient.</p> <ul style="list-style-type: none"> <li>• Prepare the advice, report, or notes required in a clear and concise style.</li> </ul>
<p><b>How skills are assessed</b></p> <p>Candidates may be required to:</p> <ul style="list-style-type: none"> <li>• recommend suitable courses of action in a given situation (financing decisions, dividend decisions, hedging decisions, investment appraisal decisions); and</li> <li>• incorporate advice within a 'business report' format, addressing both the strengths and weaknesses of any recommendations and/or reasons for the rejection of alternatives.</li> </ul>		

## Tax Compliance

<b>Level</b>	6	<b>Code</b>	L6-Dip-TC
<b>GLH</b>	134.5	<b>TQT</b>	137
<b>Unit aim</b>	<p>To enable candidates in straightforward scenarios to:</p> <ul style="list-style-type: none"> <li>• prepare tax computations for individuals and companies;</li> <li>• understand the tax implications of a course of action; and</li> <li>• explain potential tax treatments of transactions.</li> </ul> <p>On completion of this module, candidates will be able to:</p> <ul style="list-style-type: none"> <li>• recognise the ethical issues arising in the course of performing tax work and identify the obligations the UK system of taxation imposes on taxpayers and the implications for taxpayers of non-compliance;</li> <li>• calculate the amount of VAT owed by or owed to businesses;</li> <li>• calculate the amount of stamp taxes due in straightforward transactions;</li> <li>• calculate the capital gains tax payable by individuals;</li> <li>• calculate the amounts of inheritance tax due on lifetime transfers and transfers on death by individuals, personal representatives and trustees;</li> <li>• calculate the corporation tax liabilities of companies;</li> <li>• calculate the amounts of income tax owed by or owed to individuals; and</li> <li>• calculate the amounts of national insurance payable by individuals, businesses and companies.</li> </ul> <p><b>Taxes covered in this module</b></p> <ul style="list-style-type: none"> <li>• Capital gains tax</li> <li>• Corporation tax</li> <li>• Income tax</li> <li>• Inheritance tax</li> <li>• National Insurance</li> <li>• Stamp taxes</li> <li>• VAT</li> </ul>		
<b>Assessment method</b>	<p>The Tax Compliance exam is 2.5 hours long. The exam will consist of five questions. Candidates may use the permitted text 'Hardman's Tax Rates and Tables 2024/2025 Edition 1'.</p> <p>In the exam, candidates will generally be expected to assume that any beneficial election, claim or deduction has been made, unless otherwise directed in the exam.</p>		
<b>Ethics and professional scepticism</b>	<p>Ethical behaviour in tax compliance is paramount. Candidates will be expected to apply the ICAEW Code of Ethics and the Professional Conduct in Relation to Taxation. Appropriate and trustworthy calculations and explanations must be provided,</p>		

	being mindful of tax planning, tax avoidance, tax evasion and money laundering. Professional scepticism will be critical in recognising bias and exercising judgement.
<b>Sustainability</b>	The application of sustainability knowledge and understanding gained at Certificate Level, and built on in these modules, is a key progression for the ICAEW chartered accountant at Professional Level. Candidates will be expected to understand sustainability as a driver for tax policy. This is an important foundation to integrating relevant aspects of sustainability into tax policy and planning for businesses.

## Syllabus Grid

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each. Over time the marks available in the assessment will equate to the weightings below, while slight variations may occur in individual assessments to enable suitably rigorous questions to be set.

Syllabus area	Weighting (%)
1. Ethics Law and Administration	10-20
2. Indirect taxes	10-15
3. Capital taxes	15-25
4. Corporation tax	15-25
5. Income tax and NIC	30-40

This grid provides guidance on the relative weighting between knowledge and skills:

	Weighting (%)
Knowledge	65-75
Skills	25-35

## Learning Outcomes

### 1 Ethics, Law and Administration

Candidates will be able to recognise ethical and regulatory issues arising in the course of tax work and identify the administrative obligations under the UK system of tax.

In the assessment, candidates may be required to:

a. identify the five fundamental principles and guidance given in the IESBA Code of Ethics for Professional Accountants and the ICAEW Code of Ethics as well as other relevant guidance, including Professional Conduct in Relation to Taxation (PCRT), in relation to a tax practice with regard to:

- the threats and safeguards framework
- confidentiality and disclosure of information
- conflicts of interest
- professional scepticism;

b. identify the law and the guidance in the ICAEW Code of Ethics as well as other relevant guidance, including Professional Conduct in Relation to Taxation (PCRT), with regard to:

- new client procedures
- regulatory requirements for tax practices
- exchange of client information with HMRC
- HMRC errors
- anti-money laundering and counter-terrorist financing
- tax planning, tax avoidance and tax evasion;

c. identify legal and ethical issues arising from tax work undertaken, including disengagement procedures, and explain the significance of these issues and suggest appropriate actions or responses;

d. identify in relation to income tax, NIC, capital gains tax and corporation tax:

- key features of the Self Assessment system
- reporting to HMRC
- determining due dates for returns, payments and elections
- calculating interest and penalties;

e. identify in relation to indirect taxes and inheritance tax:

- reporting to HMRC
- determining due dates for returns, payments and elections
- calculating interest and penalties; and

f. identify the key features of the PAYE system in relation UK- and non-UK resident employees.

## **2 Indirect taxes**

Candidates will be able to calculate the amount of VAT owed by or owed to businesses and calculate the amount of stamp taxes due in straightforward transactions including when these amounts must be reported and paid.

In the assessment, candidates may be required to:

a. explain the VAT consequences of property transactions;

b. explain the VAT consequences of group registration for VAT;

c. explain the VAT consequences of the option to tax;



- d. explain and calculate the VAT consequences of the capital goods scheme;
- e. calculate the VAT due to or from HMRC for both wholly taxable and partially exempt traders;
- f. explain the VAT consequences of transactions involving goods and services to and from VAT registered and non-VAT registered persons;
- g. explain the classification of supplies and the distinction between goods and services;
- h. identify and explain the differing VAT treatment of single and multiple supplies;
- i. identify common situations in which a liability to Stamp Duty Land Tax, Stamp Duty Reserve Tax, and Stamp Duty arises;
- j. identify situations where there is an exemption from stamp taxes; and
- k. calculate the amount of stamp taxes due in straightforward transactions.

### **3 Capital taxes**

Candidates will be able to calculate the capital gains tax payable by individuals. Candidates will also be able to calculate the amounts of inheritance tax due on lifetime transfers and transfers on death by individuals, personal representatives and trustees, including when these amounts must be reported and paid.

In the assessment, candidates may be required to:

- a. calculate the chargeable gains and losses on assets, including shares and securities;
- b. describe the circumstances in which the following reliefs apply and calculate the effect of full or partial relief available in a given situation:
  - letting relief
  - private residence relief
  - gift relief
  - rollover relief
  - business asset disposal relief
  - investors' relief;
- c. explain the impact of an individual's residence, domicile and deemed domicile on their capital gains tax liability;
- d. calculate total taxable gains and tax payable thereon, using available reliefs and losses to reduce the liability, including the computation of double tax relief where appropriate;
- e. explain the principles of inheritance tax and identify the different classes of taxpayer liable to pay inheritance tax;
- f. explain the impact of an individual's domicile and deemed domicile on their inheritance tax liability;
- g. explain when the lifetime transfer of an asset gives rise to an inheritance tax liability, calculate the inheritance tax payable on chargeable lifetime transfers in straightforward scenarios;
- h. calculate the death tax due on lifetime transfers and state the due date for payment;

- i. calculate the value of an individual's estate at death and the inheritance tax due; and
- j. describe the circumstances in which the following inheritance tax reliefs apply and calculate the amount of relief available in a given situation:
  - fall in value relief
  - business property relief
  - quick succession relief
  - taper relief.

#### **4 Corporation tax**

Candidates will be able to calculate the corporation tax liabilities of companies, including when these liabilities must be reported and paid.

In the assessment, candidates may be required to:

- a. explain the relevance of the distinction between revenue and capital for both receipts and expenses and apply the distinction in a given scenario;
- b. recognise the effect on trading profits of the treatment of:
  - provisions
  - capitalised revenue expenditure;
- c. calculate trading profits or losses after adjustments and allowable deductions (including capital allowances on plant and machinery and on structures and buildings);
- d. calculate the chargeable gains and losses on disposal of assets, including shares and securities;
- e. describe the circumstances in which rollover relief applies and calculate the effect of full or partial relief available in a given situation;
- f. recognise the effect of the following issues on corporation tax payable:
  - having a period of account less than or more than 12 months in length
  - having one or more associated companies;
  - being a member of a group;
- g. explain and illustrate how losses may be used effectively by a company or group; and
- h. calculate the taxable total profit and the tax payable or repayable for companies including using losses to reduce the tax liability and the computation of double tax relief where appropriate.

#### **5 Income tax and NIC**

Candidates will be able to calculate the amounts of income tax owed by or owed to individuals as well as the amounts of national insurance payable by employers, the self-employed and employees, including when these amounts must be reported.

In the assessment, candidates may be required to:

Trading profits

- a. explain the relevance of the distinction between revenue and capital for both receipts and expenses and apply the distinction in a given scenario;

b. recognise the effect on trading profits of the treatment of:

- provisions
- capitalised revenue expenditure

c. calculate trading profits or losses after adjustments and allowable deductions (including capital allowances on plant and machinery and on structures and buildings) using either the accruals basis or cash basis of accounting;

Unincorporated businesses

d. calculate the assessable trading profits or losses of a partnership including after a change in the profit sharing ratio or change in partners, and allocate the profits or losses to each partner including the allocation of notional profits and losses;

e. calculate the assessable trading profits or losses for an unincorporated business which is commencing, continuing or ceasing to trade;

f. explain and illustrate the possible uses of trading losses in a new or continuing business or a business ceasing to trade;

Taxation of income

g. calculate assessable employment income for an employee or director, taking into account expenses, allowable deductions and assessable benefits;

h. calculate taxable savings, income from property, dividend income, taxed income and investment income;

i. describe and calculate the principal aspects of the taxation of property income, including interest relief, rent-a-room relief, and the application of the cash basis;

j. explain the alternative ways in which an individual can provide for retirement and calculate the tax relief available;

k. explain the impact of an individual's residence, domicile and deemed domicile;

l. calculate total taxable income and the income tax payable or repayable for employees, company directors, partners and self-employed individuals including the computation of double tax relief where appropriate.

National insurance contributions

Candidates will be able to calculate the amounts of national insurance payable by individuals, businesses and companies.

In the assessment, candidates may be required to:

q. identify the different classes of national insurance contributions;

r. calculate the national insurance due on employment income and the assessable trading profits of the self-employed; and

s. calculate the total national insurance contributions payable by employees, employers and self-employed individuals.

## Skills Assessed

### Assimilating and using information

<p>Understand the situation and the requirements:</p> <ul style="list-style-type: none"> <li>• Identify ethical issues in a given scenario.</li> </ul>	<p>Identify and use relevant information:</p> <ul style="list-style-type: none"> <li>• Interpret information provided in various formats.</li> <li>• Evaluate the relevance and accuracy of information provided.</li> <li>• Filter information provided to identify critical facts.</li> </ul>	<p>Identify and prioritise key issues and stay on task:</p> <ul style="list-style-type: none"> <li>• Work effectively within time constraints.</li> <li>• Operate to a brief in a given scenario.</li> </ul>
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### How skills are assessed

Candidates may be required to:

- explain the implications of proposed transactions in any of the following ways:
  - calculation of tax liabilities and reliefs available;
  - written description of tax treatments;
  - explanation of tax treatments in light of unstructured information relating to individuals, partnerships or companies;
  - description of the availability and values of tax reliefs within the context of numerical questions;
  - explanation of alternative tax treatments; and
  - explanation of ethical issues within given scenarios.

### Structuring problems and solutions

<p>Structure data:</p> <ul style="list-style-type: none"> <li>• Present analysis in accordance with instructions and criteria.</li> </ul>	<p>Develop solutions:</p> <ul style="list-style-type: none"> <li>• Identify and apply relevant technical knowledge and skills to analyse a specific problem.</li> <li>• Use structured information to identify evidence-based solutions.</li> <li>• Select appropriate courses of action using an ethical framework.</li> </ul>
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### How skills are assessed

Candidates may be required to:

- calculate tax liabilities from a given scenario;
- demonstrate relevant technical knowledge;
- perform relevant, accurate calculations in a logically structured way;
- identify different business entities and their tax status (eg, company, sole trader, partnership), and understand the tax implications thereof;

- integrate verbal descriptions with calculations;
- use calculations to illustrate an answer; and
- provide relevant legal and ethical information in the context of a tax scenario.

## Applying judgement

Apply professional scepticism and critical thinking:

- Recognise bias and varying quality in data and evidence.
- Identify faults in computations and arguments.
- Exercise ethical judgement.

### How skills are assessed

Candidates may be required to:

- critically evaluate the quality, completeness and integrity of information put forward by tax payers;
- assess the legality of options and the consequences of various courses of action with regard to:
  - new client procedures;
  - regulatory requirements for tax practices
  - HMRC errors;
  - anti-money laundering and counter-terrorist financing;
  - tax planning, tax avoidance and tax evasion.

## Concluding, recommending and communicating

Conclusions:

- Apply technical knowledge to support reasoning and conclusions.

Communication:

- Present analysis and recommendations in accordance with instructions.
- Prepare the advice, report, or notes required in a clear and concise style.

### How skills are assessed

Candidates may be required to:

- analyse the implications of various courses of action out of a limited set of prescribed options;
- determine the tax implications of scenarios and proposals to provide alternative tax implications;
- show an illustrative example of possible VAT treatments eg, with regard to transactions involving land and buildings;
- show an illustrative example of inheritance tax implications of a proposed

lifetime transfer or a transfer on death;

- show an illustrative example of the impact of residency status on income tax, capital gains tax or corporation tax; or
- show an illustrative example of whether an individual is trading by applying the badges of trade to reach a reasoned conclusion.

## Business Planning: Taxation

<b>Level</b>	6	<b>Code</b>	L6-Dip-BPT
<b>GLH</b>	146.5	<b>TQT</b>	149
<b>Unit aim</b>	<p>To enable candidates to apply technical knowledge and professional skills to identify and resolve taxation issues that arise in the context of preparing tax computations and to advise on tax-efficient strategies for businesses and individuals.</p> <p>Candidates will be required to use technical knowledge and professional judgement to identify, explain and evaluate alternative tax treatments and to determine the appropriate solutions to taxation issues, giving due consideration to the needs of clients and the interaction between taxes. The commercial context and impact of recommendations will need to be considered in making such judgements, as will ethical and legal issues.</p>		
<b>Prior knowledge</b>	<p>There are no regulations stipulating the order in which candidates must attempt this module. However, candidates are strongly advised to complete both the Principles of Taxation module and the Tax Compliance module before attempting this module, as the ability to prepare tax computations is required to be successful at this module.</p> <p>Although technical topics by necessity flow through the three tax exams, a technical topic will not usually be retested in this module in a comprehensive computational question if it has already been tested in detail in either of the other two tax exams.</p>		
<b>Assessment method</b>	<p>The Business Planning: Taxation exam is 2 hours 30 minutes long. The exam will contain questions requiring the use of communication, judgement and evaluation skills as well as an ability to understand the interaction of different taxes.</p> <p>The exam will consist of three questions. One question will be an integrated scenario of approximately 40 marks. All three questions may cover a range of taxes as well as including tax planning. Ethics and law may be tested in any of the three questions.</p> <p>The exam will be open book. Candidates will be able to access their personal ICAEW Bookshelf and any ICAEW digital learning materials held there, during the exam. Candidates will also be permitted to take any written or printed material into the exam, subject to practical space restrictions.</p>		

<b>Ethics and professional scepticism</b>	It is imperative that ethical issues are prioritised in the planning of business taxation. Candidates will be expected to apply the ICAEW Code of Ethics and the Professional Conduct in Relation to Taxation across all of the questions in the exam. Candidates will be required to recognise and explain key ethical issues, identify ethical dimensions of possible scenarios, make appropriate judgements being mindful of professional scepticism and make recommendations in a sound and trustworthy manner.
<b>Sustainability</b>	The application of sustainability knowledge and understanding gained at Certificate Level, and built on in these modules, is a key progression for the ICAEW chartered accountant at Professional Level. Candidates will be expected to understand sustainability as a driver for tax policy. This is an important foundation to integrating relevant aspects of sustainability into tax policy and planning for businesses.

## Syllabus Grid

This grid shows the relative weightings of subjects within this module and should guide the relative study time spent on each.

<b>Syllabus area</b>	<b>Weighting (%)</b>
1. Ethics and law	5-10
2. Taxation of corporate entities	35-45
3. Taxation of owner-managed businesses	20-30
4. Personal taxation	15-25

This grid provides guidance on the relative weighting between knowledge and skills:

	<b>Weighting (%)</b>
Knowledge	25-35
Skills	65-75

## Learning Outcomes

### 1 Taxation of business and corporate entities



Candidates will be able to analyse, evaluate and calculate the tax consequences of actions for individuals and companies and evaluate the interaction of taxes in given scenarios. This will involve advising and assisting clients in adhering to tax regulations.

In the assessment, candidates may be required to:

Taxation of business and corporate entities

- a. determine, explain and calculate the tax liabilities for individuals and corporate entities, including income tax, national insurance, corporation tax, diverted profits tax, stamp taxes, VAT, and annual tax on enveloped dwellings (ATED);
- b. evaluate the tax implications of the choice of business structures, including provision of services through a company;
- c. explain the taxation issues relating to business start-ups;
- d. identify and evaluate the impact of close companies on the taxation of companies and individuals;
- e. explain and evaluate the tax implications of group structures;
- f. apply, explain and evaluate issues relating to transfer pricing;
- g. explain and evaluate the tax implications of business transformations and change; explain and calculate the tax implications involved in the cessation of trade;

International aspects of corporate taxation

- h. calculate the impact of international expansion on UK tax liabilities;
- i. explain the tax implications of inward investment in the UK;
- j. recognise the implications of double tax treaties, the OECD Model Tax Convention, and the OECD BEPS two pillar plan;
- k. apply and advise on double taxation relief;

Financing and investing

- l. evaluate the taxation implications of financing existing and new businesses;
- m. evaluate the taxation implications of returns to investors;
- n. advise and calculate the impact of tax efficient investment schemes including ISAs, enterprise investment schemes, seed enterprise investment schemes and venture capital trusts;

Employment income and remuneration packages

- o. advise on the tax implications of remuneration packages including share schemes, termination payments, and allowable deductions;

Personal taxation and overseas taxation

- p. calculate tax liabilities for individuals including income and capital gains tax, national insurance contributions and inheritance tax;
- q. advise on the taxation of foreign assets, income and gains;
- r. evaluate and advise on the impact of residence, non-residence, deemed domicile and domicile on an individual's tax liabilities;

- s. analyse and explain the implications of individuals leaving and coming to the UK as well as the special tax position for non-UK domiciled individuals;
- t. explain the implications of domicile and deemed domicile for inheritance tax;

#### Trusts

- u. identify the need for and advise on the use of trusts in tax planning; and
- v. appreciate in straight forward scenarios, the tax implications of creating and using trusts and the tax implications of assets entering or leaving trusts.

## **2 Tax planning**

Candidates will be able to advise on alternative tax treatments to defer or minimise tax liabilities.

Candidates will also be able to understand the interaction of taxes in given scenarios and to identify and discriminate between tax evasion and tax avoidance.

In the assessment, candidates may be required to:

- a. identify legitimate tax planning measures to minimise tax liabilities;
- b. evaluate and advise on tax strategies to meet business objectives;
- c. evaluate and advise on alternative tax strategies relating to corporate transformations;
- d. recognise the significance for tax purposes of changes in an individual's circumstances such as marriage and death;
- e. recognise, explain and communicate opportunities to use alternative tax treatments arising from past transactions; and
- f. identify and communicate ethical professional and sustainability issues in giving tax planning advice.

## **3 Tax policy and ethics**

Candidates will be able to evaluate how tax policy is developed to enhance sustainability and recognise and explain ethical and legal issues arising in taxation scenarios. This will include the concept of the tax gap and use of digital technology to minimise it. Where ethical dilemmas arise, candidates will be required to apply the five fundamental principles and guidance in the IESBA and ICAEW codes as well as other relevant guidance, including the Professional Conduct in Relation to Taxation (PCRT), to recommend and justify appropriate, legal actions.

In the assessment, candidates may be required to:

- a. recognise and explain the relevance, importance and consequences of ethical, sustainability and legal issues;
- b. recommend and justify appropriate actions where ethical dilemmas arise in a given scenario;
- c. design and evaluate appropriate ethical safeguards; and

d. recognise and advise when a tax-avoidance scheme is notifiable to HMRC and distinguish between planning, avoidance and evasion and their consequences and the technology used to identify avoidance and evasion.

## Skills Assessed

### Assimilating and using information

<p>Understand the situation and the requirements:</p> <ul style="list-style-type: none"> <li>• Demonstrate understanding of the business context.</li> <li>• Recognise new and complex ideas within a scenario.</li> <li>• Identify the needs of customers and clients.</li> <li>• Identify risks within a scenario.</li> <li>• Identify elements of uncertainty within a scenario.</li> <li>• Identify ethical issues including public interest and sustainability issues within a scenario.</li> </ul>	<p>Identify and use relevant information:</p> <ul style="list-style-type: none"> <li>• Interpret information provided in various formats.</li> <li>• Evaluate the relevance of information provided.</li> <li>• Filter information provided to identify critical facts.</li> </ul>	<p>Identify and prioritise key issues and stay on task:</p> <ul style="list-style-type: none"> <li>• Identify business and financial issues from a scenario.</li> <li>• Prioritise key issues.</li> <li>• Work effectively within time constraints.</li> <li>• Operate to a brief in a given scenario.</li> </ul>
<p><b>How skills are assessed</b></p> <p>Candidates may be required to demonstrate:</p> <ul style="list-style-type: none"> <li>• Business Planning: Taxation <ul style="list-style-type: none"> <li>- assimilate information provided by internal and external sources;</li> <li>- identify and evaluate inconsistencies in information provided from multiple sources; and</li> <li>- recognise and explain key ethical issues for an accountant undertaking work in taxation.</li> </ul> </li> </ul>		

### Structuring problems and solutions

<p>Structure data:</p> <ul style="list-style-type: none"> <li>• Structure information from</li> </ul>	<p>Develop solutions:</p> <ul style="list-style-type: none"> <li>• Identify and apply relevant</li> </ul>
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<p>various sources into suitable formats for analysis.</p> <ul style="list-style-type: none"> <li>• Identify any information gaps.</li> <li>• Frame questions to clarify information.</li> <li>• Use a range of data types and sources to inform analysis and decision-making.</li> <li>• Present analysis in accordance with instructions and criteria.</li> </ul>	<p>technical knowledge and skills to analyse a specific problem.</p> <ul style="list-style-type: none"> <li>• Use structured information to identify evidence-based solutions.</li> <li>• Identify creative and pragmatic solutions in a business environment.</li> <li>• Identify opportunities to add value.</li> <li>• Identify and anticipate problems that may result from a decision.</li> <li>• Identify a range of possible solutions based on analysis.</li> <li>• Identify ethical dimensions of possible solutions.</li> <li>• Select appropriate courses of action using an ethical framework.</li> <li>• Identify the solution which is the best fit with acceptance criteria and objectives.</li> <li>• Define objectives and acceptance criteria for solutions.</li> </ul>
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**How skills are assessed**

Candidates may be required to:

- Business Planning: Taxation
  - consider and calculate a range of appropriate tax treatments;
  - provide descriptive analysis and explanations;
  - integrate different taxes and jurisdictions;
  - evaluate taxation impact of a transaction;
  - integrate descriptions with calculations in a form appropriate for the user;
  - apply technical knowledge to perform relevant, accurate calculations in a logically structured way;
  - identify further information or clarify existing arrangements with a client;
  - consider the impact of delaying or modifying future decisions; and
  - identify and explain ethical and legal issues.

**Applying judgement**

<p>Apply professional scepticism and critical thinking:</p> <ul style="list-style-type: none"> <li>• Recognise bias and varying quality</li> </ul>	<p>Relate issues to the environment:</p> <ul style="list-style-type: none"> <li>• Appreciate when more expert help is required.</li> </ul>
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<p>in data and evidence.</p> <ul style="list-style-type: none"> <li>● Identify faults in arguments.</li> <li>● Identify gaps in evidence.</li> <li>● Identify inconsistencies and contradictory information.</li> <li>● Assess interaction of information from different sources.</li> <li>● Exercise ethical judgement.</li> </ul>	<ul style="list-style-type: none"> <li>● Identify related issues in scenarios.</li> <li>● Assess different stakeholder perspectives when evaluating options.</li> <li>● Appraise the effects of alternative future scenarios.</li> <li>● Appraise ethical, public interest and regulatory issues.</li> </ul>
<p><b>How skills are assessed</b></p> <p>Candidates may be required to:</p> <ul style="list-style-type: none"> <li>● Business Planning: Taxation <ul style="list-style-type: none"> <li>- apply scepticism to the integrity of information provided in the scenario having regard to its source;</li> <li>- select between appropriate options;</li> <li>- identify omissions in the information;</li> <li>- evaluate inconsistencies in information;</li> <li>- evaluate the effects of future events;</li> <li>- identify key linkages between information provided in a scenario and possible tax treatments;</li> <li>- compare the effects of a range of estimates, outcomes or tax treatments; and</li> <li>- exercise own ethical judgement in assessing the consequences of various courses of action.</li> </ul> </li> </ul>	

**Concluding, recommending and communicating**

<p>Conclusions:</p> <ul style="list-style-type: none"> <li>● Apply technical knowledge to support reasoning and conclusions.</li> <li>● Apply technical knowledge, professional experience and evidence to support reasoning.</li> <li>● Use valid and different technical skills to formulate opinions, advice, plans, solutions, options and</li> </ul>	<p>Recommendations:</p> <ul style="list-style-type: none"> <li>● Present recommendations in accordance with instructions and defined criteria.</li> <li>● Make recommendations in situations where risks and uncertainty exist.</li> <li>● Formulate opinions, advice, recommendations, plans, solutions, options and reservations based</li> </ul>	<p>Communication:</p> <ul style="list-style-type: none"> <li>● Present a basic or routine memorandum or briefing note in writing in a clear and concise style.</li> <li>● Present analysis and recommendations in accordance with instructions.</li> <li>● Communicate clearly to a specialist or non-specialist audience in a manner suitable for the recipient.</li> </ul>
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reservations.	<p>on valid evidence.</p> <ul style="list-style-type: none"> <li>● Make evidence-based recommendations which can be justified by reference to supporting data and other information.</li> <li>● Develop recommendations which combine different technical skills in a practical situation.</li> </ul>	<ul style="list-style-type: none"> <li>● Prepare the advice, report, or notes required in a clear and concise style.</li> </ul>
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### **How skills are assessed**

Candidates may be required to:

- Business Planning: Taxation
  - determine the tax implications of scenarios and proposals to provide alternative recommendations to meet a given individual or corporate objective or goal;
  - formulate and recommend a reasoned conclusion from structured calculations;
  - justify a conclusion made using knowledge of the existing tax regime;
  - advise on the ethical considerations;
  - explain the limitations of conclusions or recommendations;
  - present a report/memorandum in response to a specific technical or ethical issue and in accordance with client requirements;
  - present a review of advice or proposed tax strategies making recommendations supported by calculations or analysis of tax issues identified;
  - present a justification of a specific recommended action when a variety of options are available;
  - identify further information required to complete tax computations and finalise tax advice; and
  - give advice which is appropriate, technically correct, and within the law and the ICAEW Code of Ethics as well as other relevant guidance, including the Professional Conduct in Relation to Taxation (PCRT).

## Third Party Arrangements

KPA will enter into a formal and legally binding agreement with all Third Parties who have a direct relationship in the design, development and delivery or award of the training and/or the assessments of a KPA Regulated qualification.

All third party contracts will require our partner to abide by Ofqual regulatory conditions in the same way as they apply to KPA.

### Control and oversight

To maintain the integrity of our accredited qualifications, KPA will monitor work from our partners and arrange to meet them on a regular basis, with at least one annual visit.

KPA will appoint an External Quality Assurer (EQA) to confirm that all new applications from third parties are in compliance with all their contractual conditions. Continued compliance as a KPA partner will be verified through an annual Quality Assurance Review. If the EQA finds any instances of non-compliance these issues will be noted with an action plan agreed to correct those issues. Failure to comply will result in a breach of contract and face sanctions.

### Centre Resources

KPA approved centres are required to provide the right human and physical resources needed to ensure the quality of the learner experience. Centres must ensure that staff have the appropriate level of subject knowledge, practical experience of the sector and are normally qualified to at least a degree standard. It is desirable that staff have a teaching and/or assessing qualification.

The physical resources required will vary depending on the style of delivery. Where distance or blended learning is used, KPA expects centres to have appropriate learning support materials, infrastructure and technology in place to meet candidate needs.

For units that require specific resources further information is given within the unit under 'Guidance on delivery and assessment'.

## Access arrangements and Reasonable adjustments

KPA complies with the Equality Act 2010 and Ofqual general conditions of recognition regarding fair assessment.

Candidates are able to request alternative access due to a short-term or long-term indisposition. Candidates who require access arrangements must inform KPA via their MyKPA portal.

### Access arrangements & reasonable adjustments

Access arrangements allow candidates with specific needs; such as special educational needs, disabilities or temporary injuries, to access an assessment. The purpose behind an access arrangement is to meet the particular needs of an individual candidate without affecting the integrity and demand of the assessment. Access arrangements are agreed before an assessment and the principal way in which KPA complies with its duty under the Equality Act 2010 to make 'reasonable adjustments'.

The adjustment put in place will depend upon the candidates' disability and that the adjustment can be reasonably delivered by KPA or its approved test centre.

An adjustment to be considered reasonable will depend on a number of factors, which will include, but are not limited to the:

- needs of the disabled candidate
- effectiveness of the adjustment
- cost of the adjustment
- likely impact of the adjustment

### Special consideration

The special consideration process addresses circumstances specific to an individual exam, which are outside of the candidates control and which may have had an impact upon their exam performance.

For more information please contact [kpaenquiries@kaplan.co.uk](mailto:kpaenquiries@kaplan.co.uk) for a copy of our special consideration process.



## Contact us

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