



THE INSTITUTE
OF CHARTERED
ACCOUNTANTS
IN ENGLAND AND WALES

ACA Advanced Stage Syllabus September 2007

Contents

ACA Overview	3
The ACA qualification	3
Advanced Stage	4
Skills Progression through the ACA Qualification	6
Business Reporting	8
Module aim	8
Specification grid	8
Business scenarios	8
Integrated learning outcomes	9
Business Change	10
Module aim	10
Specification grid	10
Business scenarios	10
Integrated learning outcomes	11
Case Study	13
Overview	13
Professional skills	14
The Link to Work Experience	15
Technical Knowledge Grids	16
Audit and Assurance	17
Business Analysis	19
Ethics	21
Corporate Governance	21
Financial Reporting	22
Differences between IFRS and UK GAAP	23
Taxation	33

ACA Overview

The ACA qualification

Aim

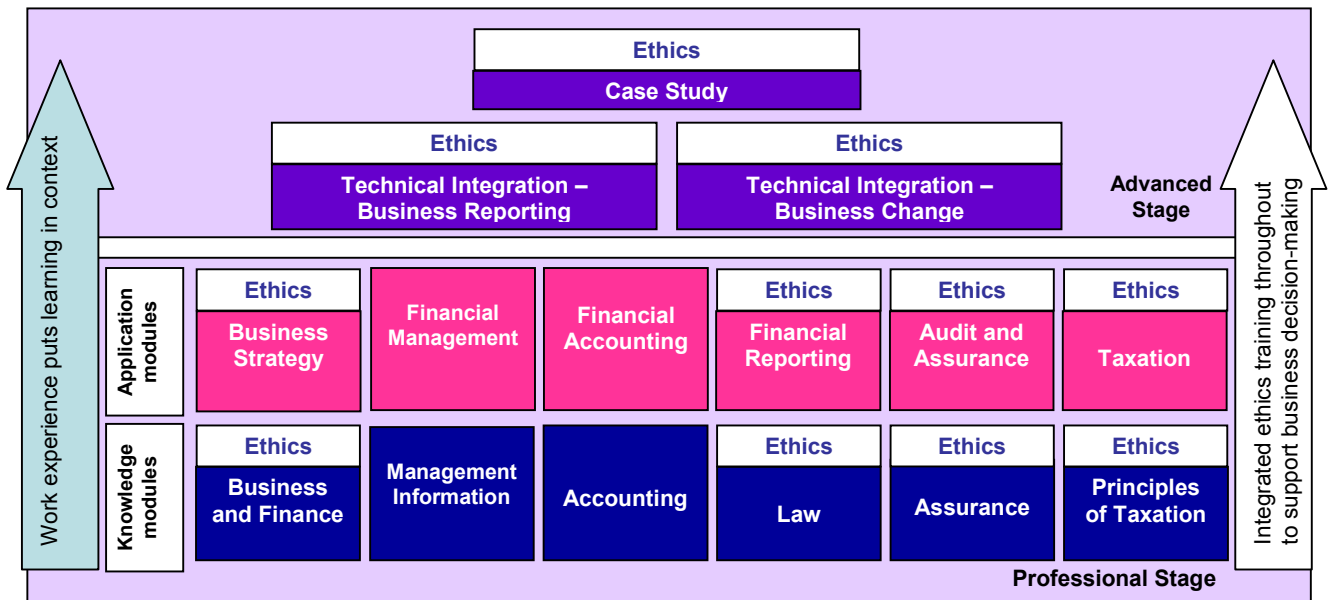
The ACA qualification aims to ensure all newly qualified Chartered Accountants have the technical and professional skills to begin their career and from which to build their ongoing professional development.

Structure

The syllabus has been designed to develop core technical, commercial, and ethical skills and knowledge in a structured and rigorous manner. Progression through the ACA modules, in combination with integrated and monitored work experience, will equip and prepare students for the demanding multi-disciplinary case study. This final module assesses the highest level of analysis, synthesis and communication skills, commercial and ethical awareness and the application of professional judgement.

The diagram below shows the twelve modules at the Professional Stage, where the focus is on the acquisition and application of technical skills and knowledge, and the Advanced Stage which comprises of two technical integration modules and the Case Study.

Ethics is embedded throughout the qualification and there are specific learning outcomes included in a number of the modules. The syllabus has been designed to ensure students understand the fundamental principles of ethics, can apply relevant ethical guidance and are able to recommend actions to resolve ethical issues.



Advanced Stage

Aim

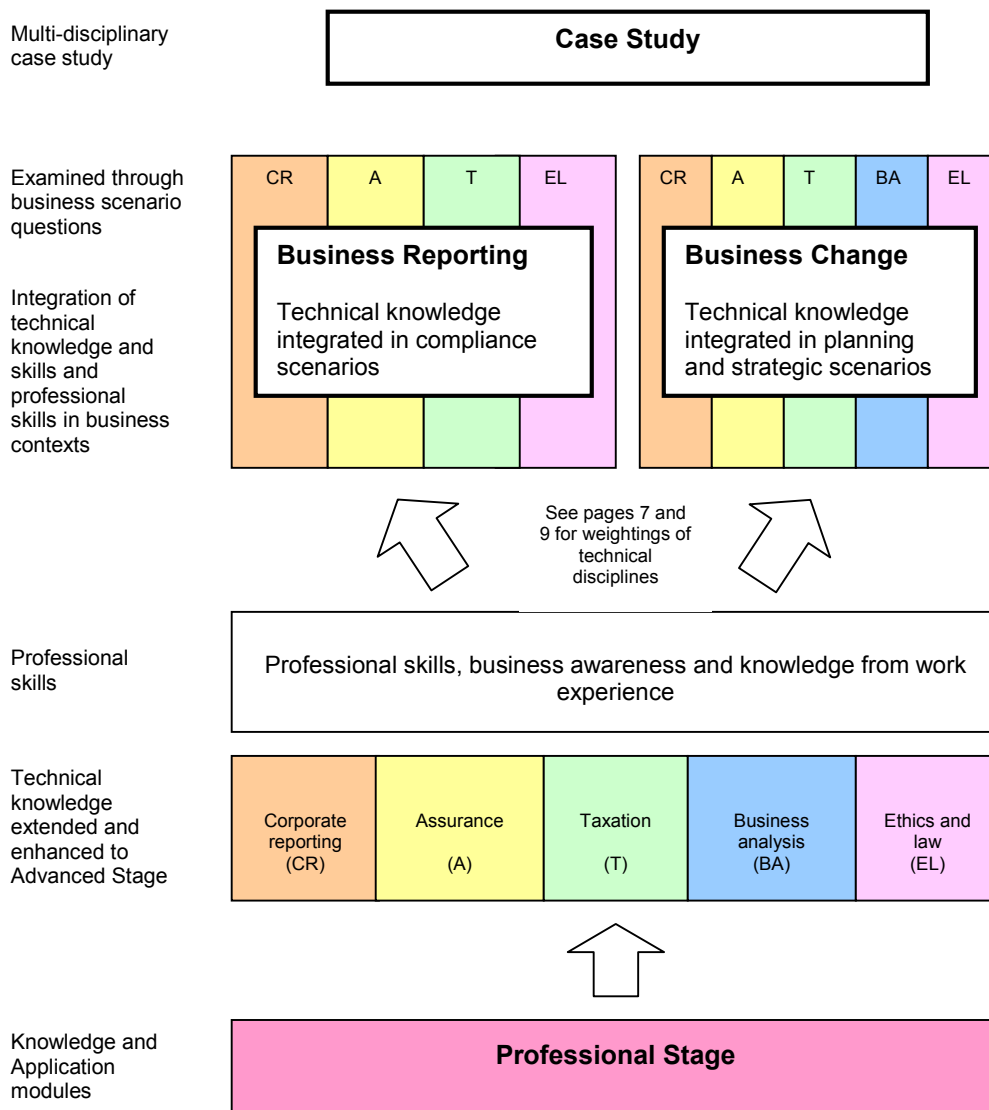
The Advanced Stage of the ACA qualification is designed to ensure that students are able to integrate and apply their technical, professional and ethical skills in a variety of business environments.

The Advanced Stage has been constructed with the following aims:

- to ensure that students are able to identify and evaluate a broad range of business issues and communicate appropriate advice
- to provide a greater focus on the provision of technical advice, whilst ensuring that the business implications of the advice given is understood
- to ensure the application of professional and ethical skills as well as technical knowledge
- to improve financial and business analysis skills
- to modernise the ACA qualification to reflect important emerging issues
- to ensure business topics and the associated technical content covered in each of the modules is clear

Structure and progression

There are three Advanced Stage modules: the Case Study and two underpinning technical integration modules. The two technical integration modules are Business Reporting and Business Change.



The Professional Stage consists of Knowledge modules and Application modules. The Knowledge modules introduce the core technical knowledge and skills required by a Chartered Accountant. The Application modules further develop and assess practical application of technical knowledge and skills.

The technical knowledge acquired at the Professional Stage is developed to an advanced level and integrated in a broader range of business scenarios in the Advanced Stage technical integration modules. The application of technical knowledge in these modules requires an appreciation of the typical issues and problems facing businesses and their relationship to corporate reporting, assurance and taxation. A greater depth of business and financial analysis will be required to understand the implications and risks arising from the business issues.

New technical topics are introduced in the technical integration modules, reflecting students' greater financial and business awareness and their emerging proficiency and ability to integrate knowledge and skills both within and across technical subjects. Students will be required to use more complex financial instruments in business finance and risk management for example.

Students will also be required to apply professional skills in the technical integration modules. These professional skills are then examined to a greater extent in the final ACA module: the Case Study. This module requires higher level cognitive skills, analytical and evaluative skills and emphasises the importance of communication and articulation skills.

The table on page 6 identifies the skills progression through the ACA qualification.

Syllabus

This document presents the high level learning outcomes for the two technical integration modules and sets out the skills requirements for the Case Study. The appendix contains details of the technical knowledge required for the Advanced Stage.

Assessment

The two technical integration modules will be examined using traditional paper based assessments. Each paper based exam will be 3.5 hours in length. These exams will contain questions requiring the integration of knowledge both within technical disciplines and across technical disciplines. Questions integrated across all subject streams are an essential step towards the Case Study but will have more structure and guidance than those at the Case Study.

The Case Study will continue in its present format of a 4 hour written exam with 'advance information' provided to students ahead of the exam and 'impact information' issued in the exam, containing the Case Study requirements.

Flexibility

There are no regulations stipulating the order in which students must attempt the technical integration modules. The Case Study must be the final module attempted and can only be attempted in the final year of a training contract.

Students will continue to be permitted a maximum of four attempts at each Advanced Stage module.

Open Book Policy

Students may take any written or printed material into the exam hall subject to practical space restrictions.

Skills Progression through the ACA Qualification

Professional Stage		Advanced Stage	
<i>Knowledge modules</i>	<i>Application modules</i>	<i>Technical integration modules</i>	<i>Case Study</i>
<u>Core technical knowledge and skills</u>	<u>Technical knowledge and skills and practical application</u>	<u>Technical integration skills applied in complex scenarios</u>	<u>Analytical, evaluative and integration skills applied in scenarios of major complexity</u>
<ul style="list-style-type: none"> Understanding the required data or information as given Recognition of the technical or professional issue based on knowledge learned Performing the required calculations Identifying the best explanation Identifying the best solution or steps 	<ul style="list-style-type: none"> Understanding the requirement Understanding the straightforward scenario and issues Limited analysis of data and information to support the requirement Drawing upon technical and professional knowledge learned Explaining, listing, drafting or stating briefly the issues or solution Preparing, describing, outlining the advice, report, notes required 	<ul style="list-style-type: none"> Identifying technical issues and business implications Analysis of requirements, data and situation Selection of technical options and solutions Application of technical rules, models and techniques Identification of risks and ethical issues Communication of opinions, reservations, advice, recommendations, plans, solutions, options and risks including business implications 	<ul style="list-style-type: none"> Identification of business and technical issues Application of technical knowledge to identified issues Understanding of scenario and wider business issues Understanding of the relevance of data and information based on learnt, experienced and inferred knowledge Selection of appropriate analytical tools Analysis and evaluation of requirements, situation and data Assessment of quality of information Balanced judgement of priorities, strengths, weaknesses, opportunities and threats Consideration of other perspectives, including competitive reaction and internal reaction Conclusions and recommendations based on evidence, implications, assumptions and information generated
<u>Communication and articulation skills (applied progressively in more complex situations)</u>			

- | | |
|--|---|
| | <ul style="list-style-type: none">• Structure, conciseness and clarity in presentation of data and written work• Integration and positioning of data within and alongside written work• Tact in presentation• Objectivity in presentation <p>5. Suitability of format and language</p> |
|--|---|

Business Reporting

Module aim

To ensure that students can apply analysis techniques, technical knowledge and professional skills to resolve real-life compliance issues faced by businesses.

Students may be put, for example, in the role of a preparer of financial statements, advisor or in an assurance role facing business issues where there are reporting implications. Compliance issues relating to taxation will also feature in this module.

Students will be required to use professional judgement to identify and evaluate alternatives and determine the appropriate solution(s) to compliance issues, giving due consideration to the commercial impact of their recommendations.

Specification grid

This grid provides a general guide as to the subject matter within this module and assessment coverage over a period of time.

	Weighting (%)
Ethics and law	5 - 10
Taxation	15 - 25
Audit and assurance	25 - 35
Corporate reporting	30 - 40
Business analysis	0

Business scenarios

The business scenarios listed below provide an understanding of the likely context in which technical knowledge and ethical awareness will be assessed. The scenarios relate to things that have happened or are happening within a business and will be presented in individual, group and international contexts.

1. Business and ethical issues including situations of business risk in the process of stakeholder communication
2. Business and ethical issues in the process of tax compliance work including situations with corporate reporting implications
3. Current taxation and corporate reporting issues for businesses
4. Undertaking controls and systems process assurance projects – including review and testing of controls and reporting to management in the context of the FRC – Internal Control - Revised Guidance for Directors on the Combined Code
5. Assessment of controls including IT and E-commerce controls
6. Breaches of laws and regulations that may require forensic accounting and investigation projects to assess risk and provide management with information to decide upon appropriate actions
7. Issues of earnings management, creative accounting and aggressive earnings management
8. Businesses undertaking major projects and/or organisational or process transformation
9. Issues arising from raising finance, including issues of compilation of financial information, production of prospective financial information and implications for corporate reporting
10. Issues arising from corporate transformations and group reorganisations
11. Issues arising from International corporate expansion including situations with taxation and corporate reporting implications
12. Issues arising from use of complex financial instruments in business finance and risk management

Integrated learning outcomes

On completion of this module students will be able to:

1. identify and explain ethical issues and recommend appropriate actions to solve ethical dilemmas in a given business scenario
2. report objectively in a complex environment of business opportunities and threats within the legal, regulatory and compliance environment when:
 - preparing and presenting corporate reports - including preparing and presenting financial statements, other information included in reports and interim financial reporting
 - presenting corporate governance reports in accordance with the revised combined code
 - presenting corporate responsibility, environment, sustainability and social reports
3. evaluate and apply appropriate financial reporting treatments to given scenarios
4. evaluate and apply appropriate corporate reporting treatments, including corporate governance reports and corporate responsibility reports
5. evaluate and apply auditing, assurance and related services standards in complex scenarios
6. analyse and evaluate business risks and their implications for corporate reporting and audit opinions
7. analyse and evaluate financial risks (Including financing, currency and interest rate risks) and their implications for corporate reporting and audit opinions
8. analyse, evaluate and calculate the tax consequences of given scenarios, including circumstances where overseas taxes affect national taxes
9. analyse, evaluate and assist entities in the adherence to regulations surrounding taxation
10. recognise opportunities to use alternative tax treatments arising from past events and transactions
11. analyse and evaluate controls, including IT and E-commerce controls
12. analyse and evaluate appropriate management actions where laws and regulations have been breached
13. recognise the implications for auditors of engagements in connection with investment circulars
14. evaluate and apply appropriate laws and regulations in situations of insolvency, administration, liquidation and bankruptcy (including a basic appreciation of Chapter 11)
15. evaluate and advise on appropriate corporate governance mechanisms
16. recognise money laundering transactions and related offences and the reporting responsibilities for accountants and auditors (Including proceeds of Crime Act)
17. analyse and evaluate controls over financial reporting (including in the context of COSA and S404(a) of the Sarbanes-Oxley Act)
18. analyse and evaluate strengths and weaknesses of corporate governance mechanisms and processes
19. explain and communicate current issues in corporate and financial reporting and assurance
20. undertake appropriate financial analysis to:
 - develop an understanding of a business from financial and operational data and information, provided in draft or published format.
 - assess the quality of such information, by reference to its truth, fairness, credibility and plausibility as a basis for a meaningful analysis of a business's current position, future prospects and risks.
 - apply suitable financial analysis techniques to analyse financial and operational data to bring out and explain a business's position, prospects and risks.
 - review the output of such analysis to identify key sensitivities and risks.
 - communicate the results of such analysis, including any reservations regarding transparency and objectivity of data and information.

Business Change

Module aim

To ensure that students can provide technical advice in respect of issues arising in business transformations, mergers, acquisitions, alliances and disposals.

Students will be required to analyse and interpret both external and internal financial and non-financial data in order to plan for change and provide advice. In undertaking this analysis students will be expected to evaluate the impact of stakeholder influences on the data, including the impact of choice of reporting policies.

Taxation and practical business techniques are particularly important in this module, where business techniques include aspects of business strategy, business finance, performance management and costing. There will also be assurance, ethical and legal implications to be considered when developing and assessing strategic and business plans.

Specification grid

This grid is a general guide as to the subject matter within this module and assessment coverage over a period of time.

	Weighting (%)
Ethics and law	5 - 10
Taxation	25 - 35
Assurance	15 - 20
Corporate reporting	15 - 20
Business analysis	30 - 35

Business scenarios

The business scenarios listed below provide an understanding of the likely context in which technical knowledge and ethical awareness will be assessed. The scenarios relate to future business strategies and developments and will be presented in individual, group and international contexts.

1. Controls and systems process planning
2. Developing management and corporate governance mechanisms
3. Business risk management
4. Developing business and information strategies including E-commerce and E-business
5. Transfer pricing decisions
6. Business start-up planning
7. Business and asset valuations upon acquisitions and disposals for business and tax purposes
8. Due diligence investigations of information provided to investors
9. Raising finance
 - Initial public offers
 - Private equity arrangements
10. Developing performance management approaches
11. Developing remuneration and reward packages
12. Structuring of entities
 - Incorporation
 - Group re-organisation
 - Outsourcing
 - Joint ventures and alliances

- Acquisitions and mergers
 - Demergers
 - Franchising
 - Divestment
 - Management buy-out
 - Management buy-in
13. Business recovery
 14. Insolvency and bankruptcy
 15. Developing international operations
 16. Structuring of business finance

Integrated learning outcomes

On completion of this module students will be able to:

1. identify and explain ethical issues and recommend appropriate actions to solve ethical dilemmas in a given business scenario
2. develop proposals and advise on corporate governance, corporate reporting, financial reporting, tax, auditing and assurance issues in organisational planning, change and business strategy implementation
3. develop business plans and proposals and advise on technical issues relating to business and organisational plans, the risks involved and how those risks should be managed
4. develop plans to manage a business in distress to avoid insolvency
5. develop proposals and advise on taxation issues relating to decisions to cease trading
6. develop outline proposals and advise on outline requirements for IT applications and technology to support business plans including E-commerce, E-business and virtual arrangements
7. advise on and develop proposals for organisational structuring and the financing of existing and new businesses and projects
8. advise on and apply appropriate valuation methods for assets and businesses for the purposes of acquisitions and disposals for business and tax purposes
9. advise on and develop appropriate performance management approaches for businesses and business units
10. advise on and develop appropriate remuneration and reward packages for staff and executives
11. assess, advise on and propose appropriate business strategies to meet stated objectives
12. assess, advise on and propose appropriate costing and pricing approaches for businesses
13. appraise and advise on appropriate measures of return and risk for assessing business projects
14. appraise and advise on appropriate methods to assess and manage financial risk in businesses
15. develop proposals and advise on taxation issues relating to business start-ups
16. develop proposals and advise on taxation issues relating to personal and corporate business transformations
17. assess and advise on required corporate governance mechanisms
18. undertake appropriate financial and business analysis:
 - develop an understanding of financial and operational data and information from management information systems, drawing inferences relating to its completeness, accuracy and credibility, as a basis for a meaningful analysis of the position, future prospects and risks for a business
 - apply suitable financial, strategic and operational analysis techniques to analyse financial and operational data to bring out and explain business position, prospects and risks, including the use of:
 - i. traditional financial measures of profit, returns, earnings per share, returns, cash flow, gearing, liquidity and operations
 - ii. EBITDA and residual income
 - iii. balanced scorecard approach

- iv. use of financial and non-financial performance indicators for customers, employees and other stakeholders
- v. business strategic analysis techniques for businesses their resources, processes and environment
- communicate an explanation, including any reservations regarding transparency and objectivity of data and information, of the position, prospects and risks of a business based on analysis of financial and operational data and information.

Case Study

Overview

The objective of the Case Study is to assess understanding of complex business issues and the ability to analyse financial and non-financial data, exercise professional and ethical judgement, and develop conclusions and recommendations. The limited class time available with a tutor, even when supplemented by extensive home study, is insufficient for success in the Case Study. Students must bring work experience into their preparation and development programme.

Success at the Case Study requires an integration of the technical knowledge and skills acquired from all of the ACA modules, namely:

- the core technical knowledge and skills and practical application acquired at the Professional Stage;
- the technical, analytical, evaluative and integration skills from the Business Change and Business Reporting modules; **and**
- the advisory, judgemental and communication skills acquired through practical work experience undertaken during the training contract.

All areas of the syllabus may be tested over time.

The Case Study is designed to reproduce a typical situation in which Chartered Accountants find themselves. This may involve information arising from meetings and communicated in memoranda, letters or reports. The situation will generally involve a business plan or transaction and will involve preparation for meetings and submission of reports. The transactions and plans may involve a variety of business and professional advisors and stakeholders and meetings that they may attend.

The reality of such situations is that before any meeting you would:

- expect to receive some materials in advance
- carry out some work beforehand and refer to it during the meeting
- not know the questions that you will be asked in the meeting
- perform tasks as a result of the meeting
- be expected to discuss and advise on relevant matters

The Case Study scenario may be based on any one of a variety of different organisational structures or operations. Students will be provided with advance information on the organisation and its business environment ahead of the exam.

This information will not give specific indication of the eventual requirements of the Case Study. Students will be expected to familiarise themselves with the information provided about the organisation and the industry in which it operates, undertaking some additional analysis and research. Students may take the results of their work into the examination room.

The Case Study will not require the detailed computations needed for the Professional Stage or Technical Integration modules at the Advanced Stage, but students will be required to undertake financial and business analysis.

Requirements will be open in that there will be no predetermined correct answers to the Case Study.

Professional skills

a. Cognitive, analytical and evaluative skills

1. Identification of business, technical and ethical issues
2. Application of technical knowledge to identified issues
3. Understanding of scenario and wider business issues
4. Understanding of the relevance of data and information based on learnt, experienced and inferred knowledge
5. Selection of appropriate analytical tools
6. Analysis of requirements, situation and data
7. Assessment of quality of information
8. Candidate's balanced judgement of priorities, strengths, weaknesses, opportunities and threats
9. Consideration of other perspectives, including, competitive reaction and internal reaction
10. Conclusions and recommendations based on evidence, implications, assumptions and information generated

b. Communication and articulation skills

1. Structure in presentation of data and written work
2. Integration and positioning of data within and alongside written work
3. Tact in presentation
4. Objectivity in presentation
5. Format and language

The Link to Work Experience

The work experience requirements for students provide a framework to develop appropriate work experience, completion of which is essential in order to qualify for membership. Work experience is also an essential component for examination preparation.

The work experience framework is built around four key skills:

- Business awareness – being aware of the internal and external issues and pressure for change facing an organisation and assessing an organisation's performance.
- Technical and functional expertise – applying syllabus learning outcomes and where appropriate, further technical knowledge to real situations.
- Ethics and professionalism – recognising issues, using knowledge and experience to assess implications, making confident decisions and recommendations.
- Professional judgement – making recommendations and adding value with appropriate, targeted and relevant solutions.
- Personal effectiveness – developing, maintaining and exercising skills and personal attributes necessary for the role and responsibilities.

The examinations, and in particular the Advanced Stage, embrace all of these skills.

The link between work experience and the examinations will be made explicit through input to work experience framework by the examiners.

This will help students see that their practical knowledge and skills gained in the workplace feed back into the exam room and vice-versa.

The message is clear – students should use the work experience framework to ensure success in exam performance and success in their workplace performance.

Technical Knowledge Grids

Introduction

The tables contained in this section show the technical knowledge in the disciplines of financial reporting, assurance, taxation and business analysis covered in the ACA syllabus by module.

For each individual topic / standard the level of knowledge required in the relevant Professional Stage module and the Advanced Stage content is shown.

The knowledge levels are defined as follows:

Level D

An awareness of the scope of the subject matter.

Level C

A general knowledge with a basic understanding of the subject matter and training in the application thereof sufficient to identify significant issues and evaluate their potential implications or impact.

Level B

A working knowledge with a broad understanding of the subject matter and a level of experience in the application thereof sufficient to apply the subject matter in straightforward circumstances.

Level A

A thorough knowledge with a solid understanding of the subject matter and experience in the application thereof sufficient to exercise reasonable professional judgement in the application of the subject matter in those circumstances generally encountered by Chartered Accountants.

Key to other symbols:

→ the knowledge level reached at Professional Stage is assumed to be continued

Audit and Assurance

Title	Professional Stage		Advanced Stage
	Assurance	Audit and Assurance	
The International Auditing and Assurance Standards Board			C
The Authority Attaching to Standards Issued by the International Auditing and Assurance Standards Board			A
The Authority Attaching to Practice Statements Issued by the International Auditing and Assurance Standards Board			A
Discussion Papers			C
Working Procedures			C
International Standards on Auditing (ISAs)			
200 Objective and General Principles Governing an Audit of Financial Statements	B	A	→
210 Terms of Audit Engagements		B	→
220 Quality Control for Audit Work		B	→
230 Documentation		B	A
240 The Auditors Responsibility to Consider Fraud and Error in an Audit of Financial Statements		B	A
250 Consideration of Laws and Regulations in an Audit of Financial Statements		B	A
260 Communication of Audit Matters with Those Charged with Governance		B	A
300 Planning an Audit of Financial Statements	B	A	→
315 Understanding the Entity and its Environment and Assessing the Risk of Material Misstatement	C	A	→
320 Audit Materiality	C	A	→
330 The Auditors Procedures in Response to Assessed Risks		B	A
402 Audit Consideration Relating to Entities Using Service Organisations		C	C
500 Audit Evidence	B	A	→
501 Audit Evidence-Additional Considerations for Specific Items		A	→
505 External Confirmations	B	B	A
510 Initial Engagements Opening Balances		B	A
520 Analytical Procedures	C	C	A
530 Audit Sampling and Other Means of Testing	C	C	A
540 Audit of Accounting Estimates	C	C	A
545 Auditing Fair Value Measurements and Disclosures			A
550 Related Parties		B	A
560 Subsequent Events		B	A
570 Going Concern		A	→
580 Management Representations	C	B	A
600 Using the Work of Another Auditor		C	A
610 Considering the Work of Internal Audit		C	A
620 Using the Work of an Expert		C	A
700 The Auditor's Report on Financial Statements	B	A	→
701 Modifications to the Independent Auditor's Report		B	→
710 Comparatives		B	A
720 Other Information in Documents Containing Audited Financial Statements		B	→
800 The Auditor's Report on Special Purpose Audit Engagements			B
International Auditing Practice Statements (IAPS)			
1000 Inter-bank Confirmation Procedures			D
1004 The Relationship Between Banking Supervisors and Banks' External Auditors			D
1005 The Special Considerations in the Audit of Small Entities			A
1006 Audits of the Financial Statements of Banks			D
1010 The Consideration of Environmental Matters in the Audit of Financial			A

Title	Professional Stage		Advanced Stage
	Assurance	Audit and Assurance	
Statements			
1012 Auditing Derivative Financial Instruments			B
1013 Electronic Commerce: Effect on the Audit of Financial Statements			A
1014 Reporting by Auditors on Compliance with International Financial Reporting Standards			A
International Standards on Review Engagements (ISREs)			
2400 Engagements to Review Financial Statements			B
International Standards on Assurance Engagements			
3000R Assurance Engagements Other than Audits or Reviews of Historical Financial Information		C	B
3400 The Examination of Prospective Financial Information			B
International Standards on Related Services (ISRSs)			
4400 Engagements to Perform Agreed-upon Procedures Regarding Financial Information			B
4410 Engagements to Compile Financial Information			B
IFAC Statements			
IPPS1 Assuring the Quality of Professional Services		C	B
ISQC1 Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements		C	B

Business Analysis

Topic	PS Management Information	PS Financial Management	PS Business Strategy	Advanced Stage
STRATEGIC ANALYSIS				
<i>Environmental and market analysis tools</i>				
PEST analysis			B	A
Porter's five forces			B	A
Product life cycle			B	A
Boston consulting group matrix			B	A
Competitor analysis			B	A
<i>Positional and other analysis tools</i>				
Resource audit			B	A
Value chain analysis			B	A
SWOT analysis			B	A
Gap analysis			B	A
Benchmarking			B	A
Directional policy matrix				B
Business process analysis			B	A
Strategic risk analysis			B	A
Balanced scorecard			B	A
COST ANALYSIS FOR DECISION MAKING				
<i>Costing</i>				
Cost classification	A			→
Costing systems – direct, marginal, absorption	B			→
Activity based costing (ABC)	C			B
Break even analysis	B			A
Multi-product break even analysis				B
<i>Pricing</i>				
Pricing decisions	B			→
Transfer pricing	B			→
BUSINESS AND SHAREHOLDER VALUE				
<i>Valuation Techniques</i>				
Income – dividend yield				A
Income – P/E				A
Income – discounted cash flow				A
Asset based measures				A
Options approach				B
<i>Shareholder value</i>				
Value based management (VBM)				A
Value drivers				A
Shareholder value analysis (SVA)				A
Short and long term growth rates and terminal values				A
Economic profit				A
Cash flow return on investment (CFROI)				A
Total shareholder return (TSR)				A
Market value added (MVA)				A
INVESTMENT APPRAISAL AND BASIC RISK ANALYSIS				
<i>Project appraisal</i>				
NPV		A		→
IRR		A		→
Payback		A		→
Adjusted present value (APV)		A		→

Topic	PS Management Information	PS Financial Management	PS Business Strategy	Advanced Stage
<i>Assessing risk</i>				
Project appraisal and sensitivity analysis		B		A
Project appraisal and simulation		B		A
Expected values				A
Scenario planning				A
Gap analysis			B	→
Continuous vs. event risk			B	→
FINANCIAL ANALYSIS				
<i>Cost of capital</i>				
Cost of equity		B		A
Cost of debt		B		A
Cost of preference shares		B		A
Cost of bank loans		B		A
Weighted average cost of capital (WACC)		B		A
Effective interest rates				A
Splitting convertibles into equity and debt elements				A
Public sector discount rates				A
<i>Portfolio theory and CAPM</i>				
Portfolio theory		B		A
CAPM		B		A
APT and MCPM				A
CAPM and cost of capital		B		A
International cost of capital				A
<i>Bonds</i>				
Bond pricing using NPV				A
Yields to maturity				A
Duration and price volatility				A
Convexity				A
Term structure of interest rates				A
Corporate borrowing and default risk				A
FINANCIAL ENGINEERING				
<i>Futures, options and swaps</i>				
Options		B		A
Interest rate futures		B		A
Interest rate options		B		A
Interest forward rate agreements (FRAs)		B		A
Interest rate swaps		B		A
<i>Foreign exchange</i>				
Currency forward contracts		B		A
Currency money market cover		B		A
Currency options		B		A
Currency swaps		B		A
Theoretical determinants of foreign exchange rates		B		A
<i>Option value</i>				
Value of a call and put option		C		B
Black Scholes option pricing model				B
Binomial Option Pricing Model				B
Real options		C		B

Ethics

Topic	Professional Stage	Advanced Stage
IFAC Code of Ethics for Professional Accountants (parts A, B and C)	A	A
APB Ethical Standards 1-5 Provisions available to Small Entities	A	A
ICAEW Code of Ethics (section 1.2 of the members handbook)	A	A
ICAEW The duty to report misconduct		A
ETHICAL ANALYSIS		
Ethical codes		A
Ethical tests		A
Ethical models		A

Corporate Governance

Topic	Professional Stage	Advanced Stage
The Combined Code on Corporate Governance		A
OECD Guidance on Corporate Governance		C

Financial Reporting

Title	Professional Stage			Advanced Stage
	Accounting	Financial Accounting	Financial Reporting	
Preface to International Financial Reporting Standards		A	→	→
Framework for Preparation and Presentation of Financial Statements		A	→	→
IAS1 Presentation of Financial Statements	B	A	→	→
IAS2 Inventories		A	→	→
IAS7 Cash Flow Statements		A	→	→
IAS8 Accounting Policies, Changes in Accounting Estimates and Errors	B	A	→	→
IAS10 Events after the Balance Sheet Date		A	→	→
IAS11 Construction Contracts			A	→
IAS12 Income Taxes			C	A
IAS14 Segment Reporting			A	→
IAS16 Property, Plant and Equipment		A	→	→
IAS17 Leases		A	→	→
IAS18 Revenue		A	→	→
IAS19 Employee Benefits				A
IAS20 Accounting for Government Grants and Disclosure of Government Assistance			A	→
IAS21 The Effects of Change in Foreign Exchange Rates				A
IAS23 Borrowing Costs			A	→
IAS24 Related Party Disclosures			A	→
IAS26 Accounting and Reporting by Retirement Benefit Plans				D
IAS27 Consolidated and Separate Financial Statements		A	→	→
IAS28 Investments in Associates		A	→	→
IAS29 Financial Reporting in Hyperinflationary Economies				D
IAS31 Interests in Joint Ventures			A	→
IAS32 Financial Instruments: Presentation		C	A	→
IAS33 Earnings per Share			B	A
IAS34 Interim Financial Reporting				A
IAS36 Impairment of Assets		B	A	→
IAS37 Provisions, Contingent Liabilities and Contingent Assets		A	→	→
IAS38 Intangible Assets		B	A	→
IAS39 Financial Instruments: Recognition and Measurement		C	C	A
IAS40 Investment Property			A	→
IAS41 Agriculture				D
IFRS1 First-Time Adoption of IFRS				A
IFRS2 Share-based Payment				A
IFRS3 Business Combinations		A	→	→
IFRS4 Insurance Contracts				D
IFRS5 Non-current Assets Held for Sale and Discontinued Operations		B	A	→
IFRS6 Exploration for and Evaluation of Mineral Resources				D
IFRS7 Financial Instruments: Disclosures			B	A

Differences between IFRS and UK GAAP

The following table identifies the scope of the differences examinable in the ACA qualification and where they will be introduced. The differences will become examinable where the relevant IFRS is set at knowledge level 'A'. The differences may also be examined in subsequent modules but only in a different context, for example at the Advanced Stage where knowledge of the differences forms part of an integrated question. Where a general awareness only of an accounting standard is expected (knowledge level 'D') any differences will also be dealt with at this level.

Key: First Module

FA = Financial Accounting

FR = Financial Reporting

AS = Advanced Stage

Title	First Module	Key examinable differences between IFRS and UK GAAP
Preface to International Financial Reporting Standards	FA	No examinable differences
Framework for Preparation and Presentation of Financial Statements	FA	ASB Statement of Principles for Financial Reporting <ul style="list-style-type: none"> • Includes chapters on the reporting entity, presentation and accounting for interests in other entities where there is no direct equivalent in the IASB Framework • Measurement chapter is more detailed with an emphasis on the 'deprival value model'.
IAS1 Presentation of Financial Statements	FA	Companies Act 1985 <ul style="list-style-type: none"> • Format 1 and 2 profit & loss account classifications of expenses are similar to IAS1. However, IAS1 requires further detail, but not necessarily on the face of the income statement. • CA85 balance sheet formats are less flexible than IAS1 formats that allow a wider choice of classification formats. • Differences in terminology used. FRS3 Reporting Financial Performance

Title	First Module	Key examinable differences between IFRS and UK GAAP
		<ul style="list-style-type: none"> • Specifies certain ‘mezzanine’ exceptional items that must be presented on the face of the profit & loss account after operating profit. IAS1 doesn’t specify items and doesn’t contain the strict “concept” of exceptional items. • Requires separate presentation of STRGL and Reconciliation of Movement in Shareholders’ Funds. These may be combined as a Statement of Changes in Equity under IAS1. • Requires a sub-total for operating profit which is not explicitly required by IAS1. <p>FRS18 Accounting Policies</p> <ul style="list-style-type: none"> • The disclosure requirements for estimation techniques are not as extensive. FRS18 only requires a discussion of significant estimation techniques. <p>FRS28 Corresponding Amounts</p> <ul style="list-style-type: none"> • Does not specifically require comparative information for narrative and descriptive information to be disclosed.
IAS2 Inventories	FA	<p>SSAP9 Stocks and Long Term Contracts</p> <ul style="list-style-type: none"> • No examinable differences.
IAS7 Cash Flow Statements	FA	<p>FRS1 Cash Flow Statements</p> <ul style="list-style-type: none"> • Allows certain exemptions from preparing a cash flow statement for certain subsidiaries and small companies. No exemptions in IAS7. • The definition of cash is more restrictive and only includes cash and deposits repayable on demand (within 24 hours). IAS7 uses the wider terminology of “cash and cash equivalents”. • Cash flows are classified under eight standard headings rather than three. There is less flexibility as to where certain cash flows, such as interest paid, are presented.
IAS8 Accounting Policies, Changes in Accounting Estimates and Errors	FA	<p>FRS3 Reporting Financial Performance</p> <ul style="list-style-type: none"> • Comparative financial information is restated where a fundamental prior period error has occurred which is more restrictive than IAS 8 which requires restatement for material prior period errors. <p>FRS18 Accounting Policies</p> <ul style="list-style-type: none"> • Impending changes to accounting policies are not required to be disclosed

Title	First Module	Key examinable differences between IFRS and UK GAAP
		FRS28 Corresponding Amounts <ul style="list-style-type: none"> • No examinable differences
IAS10 Events after the Balance Sheet Date	FA	FRS21 Events After the Balance Sheet Date <ul style="list-style-type: none"> • No examinable differences
IAS11 Construction Contracts	FR	SSAP9 Stocks and Long-Term Contracts <ul style="list-style-type: none"> • Unlike IAS11, service contracts may fall within its scope. • Requires the asset representing the gross amount due from customers for contract work to be split between amounts recoverable on contracts (debtors) and long-term contract balances (stocks). • Inequalities in profit generation from different stages of a contract should be considered in determining the attributable profit. IAS11 is silent on this.
IAS12 Income Taxes	AS	FRS 19 Deferred tax <ul style="list-style-type: none"> • Requires deferred taxation to be recognised on the basis of timing differences rather than IAS12's temporary differences. • May require deferred taxation to be recognised at a different rate than IAS12 for intra-group transactions eliminated on consolidation. • FRS19 permits, but does not require, the discounting of deferred tax balances, whereas IAS12 prohibits this. • FRS 19 does not normally recognise deferred taxation on the revaluation of assets
IAS14 Segment Reporting	FR	SSAP 25 Segment Reporting <ul style="list-style-type: none"> • Omission of segment information is allowed where disclosure may be seriously prejudicial to the entity's interests. No exemption exists under IAS14. • Requires disclosures for both geographic and business segments. IAS14 requires more extensive disclosures in particular for primary segment analysis. • SSAP25 does not require unlisted subsidiaries of listed parents to disclose segment information where the parent has prepared such information.

Title	First Module	Key examinable differences between IFRS and UK GAAP
IAS16 Property, Plant and Equipment	FA	<p>FRS15 Tangible Fixed Assets</p> <ul style="list-style-type: none"> • Where assets have been revalued FRS15 requires the use of existing use value (EUV) rather than fair value. • FRS15 specifies a maximum period of five years between full valuations and an interim valuation every three years. IAS16 does not specify a maximum period and the timing of revaluations depends on changes in market values. • FRS15 requires impairment losses to be debited first against any revaluation surplus in respect of the asset unless it reflects a consumption of economic benefits. IAS16 does not include such a limitation. • The residual values of assets are assessed at the date of acquisition and not adjusted for expected future price changes. However, residual values should be reviewed at each balance sheet date and revised if appropriate. IAS16 requires them to be reassessed every balance sheet date taking into account current price changes. This may affect the depreciation expense. • Annual impairment reviews are required for all assets, which are either depreciated over a period of more than 50 years or not depreciated. IAS16 does not include such a requirement.
IAS17 Leases	FA	<p>SSAP21 Accounting For Leases and Hire Purchase Contracts</p> <ul style="list-style-type: none"> • SSAP21 contains the “90% test” rebuttable presumption for determining the classification of finance and operating leases. • IAS17 specifically requires leases of land and buildings to be split at inception as a separate lease of the land and a separate lease of the buildings. Under SSAP21 they are considered together. • The net cash investment method is used for lessor accounting. IAS17 requires the net investment method. • UK GAAP requires operating lease rental incentives to be spread over the shorter of the lease term and the period until the next rent review. IAS requires any incentives to be spread over the whole lease term.
IAS18 Revenue	FA	There is no comprehensive UK accounting standard covering revenue. The main principles in FRS 5

Title	First Module	Key examinable differences between IFRS and UK GAAP
		Reporting the Substance of Transactions and IAS 18 are consistent.
IAS19 Employee Benefits	AS	FRS17 Retirement Benefits <ul style="list-style-type: none"> • The scope of IAS19 is wider and covers different types of employee compensation. • IAS19 allows a similar immediate recognition approach to actuarial gains and losses as FRS17. However, it alternatively permits the deferral from recognition of actuarial gains and losses that remain within a “10% corridor”. • Deferred tax balances are netted off the net pension scheme asset\liability under FRS17. Under IAS19 they must be shown separately.
IAS20 Accounting for Government Grants and Disclosure of Government Assistance	FR	Companies Act 1985 <ul style="list-style-type: none"> • The CA85 does not allow government grants to be deducted from cost. Hence there is no option but to show them as deferred income.
IAS21 The Effects of Change in Foreign Exchange Rates	AS	FRS23 The Effects of Changes in Foreign Exchange Rates <ul style="list-style-type: none"> • No examinable differences.
IAS23 Borrowing Costs	FR	FRS15 Tangible Fixed Assets <ul style="list-style-type: none"> • FRS 15 limits the capitalisation of borrowing costs to the finance costs incurred on the expenditure incurred. IAS23 limits the amount to the borrowing costs on the total related funds raised less the investment income from any temporary investment of those funds.
IAS24 Related Party Disclosures	FR	FRS8 Related Party Disclosures <ul style="list-style-type: none"> • Unlike IAS24, parent company’s individual financial statements are exempt from providing disclosures when consolidated financial statements are presented. • Unlike IAS24, UK subsidiaries are exempt from disclosing transactions with the parent entity where 90% or over of the voting rights are controlled within the group. • Disclosure requirements differ. In general FRS8 requires the disclosure of the name of the related party where a transaction has occurred whereas IAS24 does not.

Title	First Module	Key examinable differences between IFRS and UK GAAP
		<ul style="list-style-type: none"> • Management compensation disclosures are included in CA85 rather than FRS8 as well as disclosures on loans and other transactions involving directors. • IAS24 does not consider the materiality of related party transactions. FRS8 considers materiality from the perspective of both the company and the related party
IAS26 Accounting and Reporting by Retirement Benefit Plans	AS	<ul style="list-style-type: none"> • No examinable differences.
IAS27 Consolidated and Separate Financial Statements	AS	<p>FRS2 Accounting for Subsidiary Undertakings</p> <ul style="list-style-type: none"> • Includes an exclusion of a subsidiary from consolidation on the grounds of severe long-term restrictions. No exemption exists under IAS27. • Under IAS27 the existence of potential voting rights should be considered in assessing control. No consideration is required under UK GAAP. • Requires the minority interest to be presented separately from shareholders' funds. IAS27 requires it to be shown as a separate component of equity.
IAS28 Investments in Associates	FA	<p>FRS9 Associates and Joint Ventures</p> <ul style="list-style-type: none"> • Prescribes detailed format for equity accounting. IAS 28 does not prescribe guidance for the income statement presentation. However, IAS1 provides limited guidance which uses a pre-tax presentation of the associate's income. FRS9 shows the components separately. • Requires investors to recognise their share of any interest in net liabilities. IAS28 only requires this where there is a legal or constructive obligation to make good those losses.
IAS29 Financial Reporting in Hyperinflationary Economies	AS	<p>FRS24 Financial Reporting in Hyperinflationary Environments</p> <ul style="list-style-type: none"> • No examinable differences
IAS31 Interests in Joint Ventures	FR	<p>FRS9 Associates and Joint Ventures</p> <ul style="list-style-type: none"> • Requires the use of the gross equity method rather than proportionate consolidation or equity methods allowed by IAS31.
IAS32 Financial Instruments:	FR	FRS25 Financial Instruments: Disclosure and Presentation

Title	First Module	Key examinable differences between IFRS and UK GAAP
Presentation		<ul style="list-style-type: none"> No examinable differences.
IAS33 Earnings per Share	FR	FRS22 Earnings Per Share <ul style="list-style-type: none"> No examinable differences.
IAS34 Interim Financial Reporting	AS	No UK accounting standard on interim financial reporting. IAS34 is broadly comparable with the ASB statement on interim reports.
IAS36 Impairment of Assets	FR	FRS11 Impairment of fixed assets and goodwill <ul style="list-style-type: none"> Impairment losses on previously revalued assets are taken to the income statement where they relate to a consumption of economic benefits (see IAS16\FRS15 above) Impairment losses are allocated to goodwill, intangible assets and tangible assets in that order. IAS36 allocates the losses to goodwill first and then on a pro-rata basis to intangible and tangible assets. FRS11 is more restrictive on the recognition of the reversal of intangible assets other than goodwill. Unlike IAS36, where cash flows have been used to demonstrate the recoverable amount, FRS11 requires future cash flows to be monitored against those forecasts for the 5 subsequent years (look back test).
IAS37 Provisions, Contingent Liabilities and Contingent Assets	FA	FRS12 Provisions, Contingent Liabilities and Contingent Assets <ul style="list-style-type: none"> No examinable differences
IAS38 Intangible Assets	FR	SSAP13 Accounting for Research and Development <ul style="list-style-type: none"> The capitalisation of development expenditure is optional. IAS38 requires it to be capitalised where it meets the recognition criteria. Development expenditure recognition criteria include a requirement to have a reasonable expectation of future benefits. IAS38 is more stringent as the requirement is to demonstrate future benefits. FRS10 Goodwill and Intangible Assets

Title	First Module	Key examinable differences between IFRS and UK GAAP
		<ul style="list-style-type: none"> • Only intangible assets that can be sold separately from the business are recognised under UK GAAP. IAS38 allows non-separable assets to be recognised where they arise from contractual or other legal rights. • Allows amortisation of intangibles over economic life or no amortisation where an indefinite life is assessed. Under IAS38 goodwill and indefinite life assets should not be amortised but instead tested annually for impairment.
IAS39 Financial Instruments: Recognition and Measurement	AS	FRS26 Financial Instruments: Measurement <ul style="list-style-type: none"> • No examinable differences
IAS40 Investment Property	FR	SSAP19 Accounting for Investment Properties <ul style="list-style-type: none"> • Requires measurement at open market value. IAS40 allows a choice between cost and fair value. • Investment gains and losses are taken to STRGL unless they represent a permanent deficit in fair value. Under IAS40 all gains and losses are recognised in the income statement.
IAS41 Agriculture	AS	No equivalent UK accounting standard.
IFRS1 First-Time Adoption of IFRS	AS	Not applicable – not relevant to UK GAAP
IFRS2 Share-based Payment	AS	FRS20 Share-based Payment <ul style="list-style-type: none"> • No examinable differences
IFRS3 Business Combinations	FA	FRS6 Acquisitions and Mergers <ul style="list-style-type: none"> • Merger accounting is required when criteria are met. Not permitted under IFRS. • Group reconstructions are merger accounted for (AS). • Common control transactions are not within scope of IFRS3 (AS). FRS7 Fair Values in Acquisition Accounting <ul style="list-style-type: none"> • Provides specific guidance on fair value measurement. IFRS3 only offers brief guidance on fair value measurement. • Only requires separable intangible assets to be fair valued. Hence, more intangibles could be

Title	First Module	Key examinable differences between IFRS and UK GAAP
		<p>recognised under IFRS3.</p> <p>FRS10 Goodwill and Intangible Assets</p> <ul style="list-style-type: none"> • Goodwill is often amortised over its estimated useful economic life. There is a rebuttable presumption that it is not more than 20 years. IFRS3 prohibits amortisation and requires annual impairment reviews. • Negative goodwill is capitalised as a separate item within goodwill and amortised over the period over which any related losses are expected and as acquired non-monetary assets are realised. IFRS3 requires immediate recognition as a gain in the income statement.
IFRS4 Insurance Contracts	AS	<p>Companies Act 1985</p> <ul style="list-style-type: none"> • Contains specific requirements for insurance companies - Specific requirements in SORP and FRS27, Life Assurance
IFRS5 Non-current Assets Held for Sale and Discontinued Operations	FR	<p>FRS3 Reporting Financial Performance</p> <ul style="list-style-type: none"> • Continuing and discontinued activities must be analysed. Unlike IFRS5 detailed analysis is shown on face of P&L account. • Discontinued classification will often be at a later date than IFRS5 as disposal must be completed during the reporting period or before the earlier of the approval of the financial statements and three months after year-end. <p>FRS15 Tangible Fixed Assets</p> <ul style="list-style-type: none"> • Classification and measurement of assets generally continues as normal without regard for the disposal. This includes depreciation until the date of disposal. IFRS5 on the other hand requires depreciation to cease while a non-current asset is held for sale. <p>FRS1 Cash flow Statements</p> <ul style="list-style-type: none"> • Encourages the separate disclosure of cash flows from discontinued operations. This is required rather than encouraged by IFRS5.
IFRS6 Exploration for and Evaluation of Mineral Resources	AS	<p>SORP discusses the issues surrounding oil and gas exploration and production.</p>

Title	First Module	Key examinable differences between IFRS and UK GAAP
IFRS7 Financial Instruments: Disclosures	AS	FRS29 Financial Instruments: Disclosures <ul style="list-style-type: none"> • No examinable differences

Taxation

Title	Professional Stage		Advanced Stage
	Principles of Taxation	Taxation	
Objectives of taxation	C	→	→
Ethics	A	→	→
HM Revenue & Customs	B	→	→
Tax evasion and avoidance		A	→
Business Tax			
Administration			
Administration	B	→	→
Appeals	C	→	→
Payments	B	A	→
Penalties and interest on late payment of tax	B	A	→
Self assessment	B	A	→
Chargeable gains			
Chargeable assets	C	B	→
Chargeable disposals	C	B	→
Chargeable persons	C	B	→
Chattels: wasting and non wasting	B	→	→
Costs of acquisition and disposal	C	B	→
Indexation	B	A	→
Leases			A
Nil gain/nil loss transfers		A	→
Part disposals		B	→
Pre 31 March 1982 assets		A	→
Qualifying corporate bonds			A
Relief for capital losses		A	→
Reorganisations and reconstructions		A	A
Shares and securities (including bonus and rights issues)		A	→
Taper relief	B	A	→
Chargeable gains reliefs			
Gift relief		A	→
Incorporation relief		A	→
Roll-over relief		A	→
Substantial shareholding exemption		A	→
Trading profits			
Adjustments to profits	B	A	→
Badges of trade	B	A	→
Capital allowances	B	A	→
Foreign currency transactions			A
Intangible assets		B	→
Long periods of account		A	→
Pension contributions		A	→
Research and development expenditure & tax credits		B	→
Royalty payments		B	→
Royalty receipts		B	→
Unincorporated businesses			
Basis of assessment – current year basis	B	A	→
Change of accounting date		B	→
Commencement and cessation of trade	B	A	→

Title	Professional Stage		Advanced Stage
	Principles of Taxation	Taxation	
Overlap profits and treatment of opening year losses	B	A	→
Partnerships	B	A	→
Trading losses		A	→
Profits chargeable to corporation tax			
Property income (including lease premiums)		A	→
Trading profits	B	A	→
Loan relationships	B	A	→
Miscellaneous income	B	A	→
Chargeable gains	B	A	→
Charges on income – gift aid	B	A	→
Trading losses		A	→
Use of deficit on non-trading loan relationships		A	→
Corporation tax computation			
Chargeable accounting periods	B	A	→
Close companies		A	→
Corporation tax liability	B	A	→
Corporate Venturing Scheme		A	→
Distributions		B	→
Double tax relief (including underlying tax and withholding tax)			A
Liquidation			A
Onshore pooling provisions			A
Provision of services through a company			A
Rates of tax	B	A	→
Residence	C	B	→
Groups			
Associated companies	B	A	→
Capital gains groups		A	→
Changes in group structure			A
Change in ownership			A
Consortium relief			A
Controlled foreign companies			A
Degrouping charges			A
Group loss relief		A	→
Group relationships		A	→
Non-coterminous accounting periods		A	→
Overseas companies and branches			A
Pre-acquisition gains and losses			A
Roll-over relief		A	→
Transfer of assets		A	→
Transfer pricing		A	→
Stamp Duty and Stamp Duty Land Tax			
Basic principles		B	→
Chargeable occasions		B	→
Exemptions		B	→
VAT			
Administration	B	→	→
Appeals	C	→	→
Capital goods scheme			A
Group aspects		A	→
Input VAT	A	→	→
Output VAT	A	→	→

Title	Professional Stage		Advanced Stage
	Principles of Taxation	Taxation	
Overseas aspects		A	→
Partial exemption		B	→
Payments	A	→	→
Penalties and interest on late payment of tax	A	→	→
Property transactions		A	→
Registration and de-registration	A	→	→
Small business reliefs	A	→	→
Taxable person	A	→	→
Taxable supplies	A	→	→
Transfer of a business as a going concern		B	→
VAT records and accounts	A	→	→
Personal tax			
Administration			
Administration	B	→	→
Appeals	C	→	→
PAYE	B	→	→
Payments	B	A	→
Penalties and interest on late payment of tax	B	A	→
Self assessment	B	A	→
Employees			
Allowable deductions against employment income		A	→
Employment income	B	A	→
Statutory Mileage Rates Scheme		A	→
Taxable and exempt benefits	B	A	→
Termination payments		B	→
Other income			
Dividends from UK companies		A	→
Enterprise Investment Scheme		B	→
Investment income		A	→
ISAs		B	→
Property income (including lease premiums)		A	→
Savings income		A	→
Venture Capital Trusts		B	→
Income tax computation			
Exempt income	B	A	→
Gift aid	B	A	→
Income tax liable and payable	B	A	→
Independent taxation and jointly owned assets		B	→
Married couples allowance	B	A	→
Pension contributions:			
- Provisions for retirement		A	→
- Tax reliefs		A	→
Personal age allowance	B	A	→
Personal allowance	B	A	→
Rates of tax	B	A	→
Taxable persons	C	A	→

Title	Professional Stage		Advanced Stage
	Principles of Taxation	Taxation	
Capital gains tax			
Annual exemption	B	A	→
Business assets	B	A	→
Chargeable assets	C	B	→
Chargeable disposals	C	B	→
Chargeable persons	C	B	→
Chattels: wasting and non wasting	B	B	→
Connected persons		A	→
Converted trading losses		B	→
Costs of acquisition and disposal	C	B	→
Indexation	B	A	→
Leases			A
Nil gain/nil loss transfers		A	→
Non-business assets	B	A	→
Part disposals		B	→
Pre 31 March 1982 assets		A	→
Qualifying corporate bonds			A
Rates of tax	B	A	→
Relief for capital losses		A	→
Reorganisations and reconstructions		A	→
Shares and securities (including bonus and rights issues)		A	→
Taper relief	B	A	→
Capital gains tax reliefs			
Letting relief		A	→
Principal private residence relief		A	→
Reinvestment relief under EIS		B	→
National insurance contributions			
Administration	C	B	→
Classes of NIC	C	B	→
Directors		B	→
Maximum contributions		B	→
Taxable benefits		B	→
Basic principles of inheritance tax			
Chargeable persons		B	→
Chargeable property		B	→
Excluded property		B	→
Inter-spouse transfers		A	→
Rates of tax		A	→
Related property		B	→
Seven year accumulation period		A	→
Inheritance tax on lifetime transfers			
Discretionary trusts		A	→
Potentially exempt transfers		A	→
Inheritance tax on death			
Death estate		A	→
Deeds of variation		B	→
Lifetime transfers		A	→
Reliefs & exemptions from inheritance tax			
Agricultural property relief		B	→
Annual exemption		A	→

Title	Professional Stage		Advanced Stage
	Principles of Taxation	Taxation	
Business property relief		A	→
Gifts to charities and political parties		A	→
Gifts with reservation of benefit		B	→
Marriage exemption		A	→
Normal expenditure out of income		A	→
Quick succession relief		B	→
Small gifts exemption		A	→
Taper relief		A	→
Overseas aspects of personal taxation			
Deemed domicile			A
Domicile			A
Double tax relief			A
Ordinary residence			A
Remittance basis			A
Residence			A
Temporary absence			A
Capital gains tax			
Annual exemption	B	A	→
Business assets	C	A	→
Chargeable assets	C	B	→
Chargeable disposals	C	B	→
Chargeable persons	C	B	→
Chattels: wasting and non wasting		B	→
Connected persons		A	→
Converted trading losses		B	→
Costs of acquisition and disposal	C	B	→
Indexation	B	A	→
Leases			A
Nil gain/nil loss transfers		A	→
Non-business assets		A	→
Part disposals		B	→
Qualifying corporate bonds			A
Rates of tax	B	A	→
Relief for capital losses		A	→
Reorganisations and reconstructions			A
Shares and securities		A	→
Taper relief	B	A	→
Capital gains tax reliefs			
Letting relief		A	→
Principal private residence relief		A	→
Reinvestment relief under EIS		B	→
National insurance contributions			
Administration	C	B	→
Classes of NIC	C	B	→
Directors		B	→
Maximum contributions		B	→
Taxable benefits		B	→
Basic principles of inheritance tax			
Chargeable persons		B	→
Chargeable property		B	→
Excluded property		B	→

Title	Professional Stage		Advanced Stage
	Principles of Taxation	Taxation	
Inter-spouse transfers		A	→
Rates of tax		A	→
Related property		B	→
Seven year accumulation period		A	→
Inheritance tax on lifetime transfers			
Discretionary trusts		A	→
Potentially exempt transfers		A	→
Inheritance tax on death			
Death estate		A	→
Deeds of variation		B	→
Lifetime transfers		A	→
Reliefs & exemptions from inheritance tax			
Agricultural property relief		B	→
Annual exemption		A	→
Business property relief		A	→
Gifts to charities and political parties		A	→
Gifts with reservation of benefit		B	→
Marriage exemption		A	→
Normal expenditure out of income		A	→
Quick succession relief		B	→
Small gifts exemption		A	→
Taper relief		A	→
Overseas aspects of personal taxation			
Deemed domicile			A
Domicile			A
Double tax relief			A
Ordinary residence			A
Remittance basis			A
Residence			A
Temporary absence			A