

IKAF CAT-F1 Accountant in Business Syllabus and Study Guide

*CAT Certified Accounting Technician Qualification Level
(Based on ACCA Certifications)*

This syllabus and study guide is designed to assist in teaching and learning, also is intended to provide detailed information on the qualification, module and study guide.

Qualification Structure

It explains the content of Certified Accounting Technician Qualification Level, which also includes the Accountant in Business Module. Explains the connection of this module to other levels and modules of qualification; modules included at the specified level as well as membership criteria; as well as the characteristics of lectures that are held during the certification period. Modules and Qualifications are also presented through diagrams.

Module

It explains briefly the reasoning of the module's importance, the general and detailed objectives of the module and, also shows in the widest sense the skills that will be developed during the study of the module. The relation of the module to the other modules is presented through a diagram representing the links between them; in order to be as clear as possible for the reader. Also, topics that belong to the module are described; also, how the module's topics and subthemes are planned. Moreover, the form of examination and evaluation is explained in detail, what the exam will consider and why. In the end, the module's content is attached.

Syllabus Structure

It explains the syllabus content of the module Accountant in Business, part of the Certified Accounting Technician Qualification Level. This module contains the main reasoning, aim, and capabilities expected to get learned during the course of the study. In addition, the syllabus includes the topics of the modules, the structure of the examination after the successful completion of the module as well as reading and scheduling the time.

Study Guide

This is the main document that students, education and content providers should use as the basis of their studies, instruction and materials. Examinations will be based on the detail of the study guide which comprehensively identifies what could be assessed in any examination session. The study guide is a precise reflection and breakdown of the syllabus. It is divided into sections based on the main capabilities identified in the syllabus. These sections are divided into subject areas which relate to the sub-capabilities included in the detailed syllabus. Subject areas are broken down into sub-headings which describe the detailed outcomes that could be assessed in examinations

QUALIFICATION STRUCTURE

*CAT Certified Accounting Technician Qualification Level
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The Qualification Program for Accounting Technician particularly relies on management and communication skills, practical business development and planning skills, as well as new knowledge on the tax environment and financial reporting.

To get Accounting Technician training you need to become an IKAF student member. Membership is open to professionals who work in accounting and those who are interested in accounting as well.

Accounting Technician Candidates should demonstrate knowledge of Accountant in Business Module.

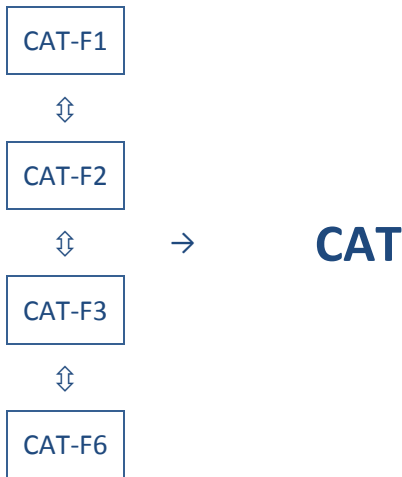


Diagram.1: *CAT Certified Accounting Technician Qualification Level*

Modules

CAT Certified Accounting Technician Qualification Level consists of four modules and is mandatory to pass all four in order to obtain the title:

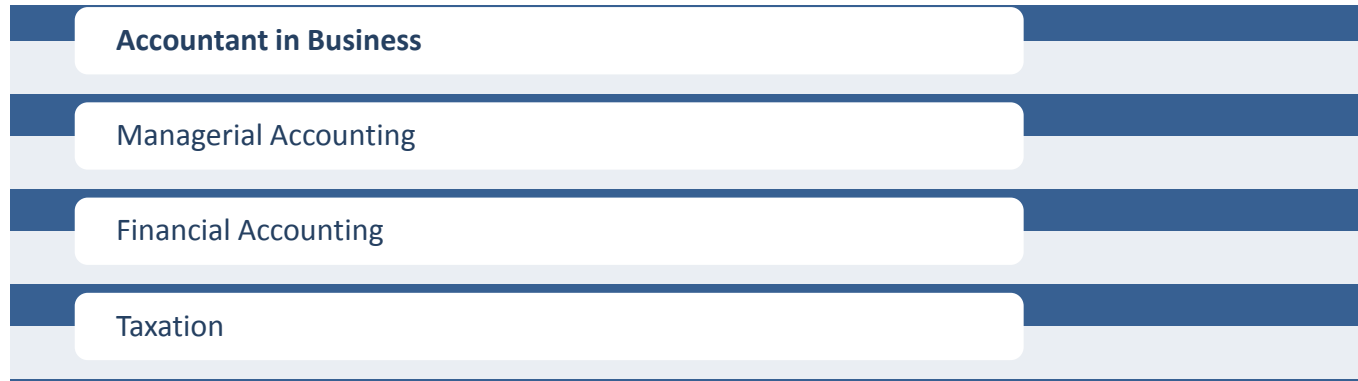


Diagram.2: CAT Certified Accounting Technician Qualification Level Modules

QUALIFICATION AND MEMBERSHIP CRITERIA: Certified Accounting Technician

- To enroll as an IKAF student in the Accounting Technician program, you must have at least a High School Diploma or University Degree;
- One (1) year experience in accounting/finance - that can be acquired during or after the training;
- Have attended and passed four (4) certification exams for this purpose (Exam is passed if 50% of test points are reached) ;
- A person who has been certified in this qualification by IKAF and continues to have a regular membership status of the IKAF has the right to use the title "Accounting Technician" by fulfilling all of the above criteria;
- Regular members of the IKAF to use the title "Accounting Technician" are required to attend Continuing Professional Development (CPD) as defined in the IKAF Regulation.

Training Features:

- A Comprehensive review of modules and during the training, participants will be provided with case studies, exercises similar to those given in the ACCA exams, and mock exam.
- Trainers are holding professional qualifications, and well experience in their field
- ACCA's materials shall be used in the training
- Upon completion of this course, participants will be able to take the exams of modules at IKAF center.

SYLLABUS STRUCTURE

Rationale

This is a narrative explaining how the syllabus is structured and how the main capabilities are linked. The rationale also explains in further detail what the examination intends to assess and why.

Relational diagram linking modules

This diagram shows direct and indirect links between this exam and other exams preceding or following it. It indicates where you are expected to have underpinning knowledge and where it would be useful to review previous learning before undertaking study.

Overall Aim

This explains briefly the overall objective of the syllabus and indicates in the broadest sense the capabilities to be developed within the exam.

Main Capabilities

The aim of the syllabus is broken down into several main capabilities which divide the syllabus and study guide into discrete sections.

Topics

Certain topics that module contains and that will be treated during tuitions.

Examining Structure

This section briefly explains the structure of the examination and how it is assessed.

Annex: Detailed Syllabus

This shows the breakdown of the main capabilities (sections) of the syllabus into subject areas. This is the blueprint for the detailed study guide.

MODULE

This syllabus and study guide is designed to help with study planning and to provide detailed information on what could be assessed in any examination session.

Rationale

The syllabus Accountant in Business introduces students who may not have a business background, to the business, which as an entity is made up of people and systems which interact with the environment and with each other.

Accountant in
Business

Diagrami.1: Module

The syllabus begins with examining the purpose and types of business which exist, the key stakeholders and the rights and responsibilities that businesses have in connection with them, exploring the external influences that affect the business in its environment, including economic, legal, social and technological factors. The syllabus then examines the structure and functions of business, focusing on corporate governance and the specific accounting related roles in this process, particularly in financial reporting, assurance, control and compliance. The syllabus then introduces key leadership, management and people issues such as effective individual and team behavior, motivation and personal effectiveness. The final section of the syllabus examines how behavior at all levels within business should be underpinned by accepted professional ethics and professional values.

Aim

To introduce knowledge and understanding of the business and its environment and the influence this has on how organizations are structured and on the role of the accounting and other key business functions in contributing to the efficient, effective and ethical management and development of an organization and its people and systems

Main capabilities

- Understand the purpose and types of businesses and how they interact with key stakeholders and the external environment.
- Understand business organisation structure, functions and the role of corporate governance
- Recognize the function of accountancy and audit in communicating, reporting and assuring financial information and in effective financial control and compliance
- Recognize the principles of authority and leadership and how teams and individuals are recruited, managed, motivated and developed.
- Understand the importance of personal effectiveness as the basis for effective team and organizational behavior.

- Recognize that all aspects of business and finance should be conducted in a manner which complies with and is in the spirit of accepted professional ethics and professional values

Topics

Major topics of Accountant in Business Module which will be covered over the training:



Diagram.2: Topics of Accountant in Business Module which will be covered over the training

Examination Structure

The syllabus is assessed by a two-hour examination available in paper-based format. * All questions are compulsory. Some questions will adopt a scenario/case study approach. Candidates are provided with a formulae sheet.

Reading and Time Planning

For paper-based exams 15 minutes are added to the three hours to reflect the manual effort required. The total exam time is therefore three hours and 15 minutes. Prior to the start of the exam candidates are given an extra 10 minutes to read the exam instructions.

The pass mark for all IKAF Qualification examinations is 50%.

Annex: Detailed Syllabus

DETAILED SYLLABUS

1 The business organization, its stakeholders and external environment.

- 1.1 The purpose and types of business organisation
- 1.2 Stakeholders in business organizations
- 1.3 Political and legal factors affecting business
- 1.4 Macroeconomic factors
- 1.5 Micro economic factors
- 1.6 Social and demographic factors
- 1.7 Technological factors
- 1.8 Environmental factors
- 1.9 Competitive factors

2 Business organization structure, function and governance

- 2.1 The formal and informal business organisation
- 2.2 Business organizational structure and design
- 2.3 Organizational culture in business
- 2.4 Committees in business organizations
- 2.5 Governance and social responsibility in business

3 Accounting and reporting systems, controls and compliance

- 3.1 The relationship between accounting and other business functions
- 3.2 Accounting and finance functions within business organizations

- 3.3 Principles of law and regulation governing accounting and auditing
- 3.4 The sources and purpose of internal and external financial information, provided by business
- 3.5 Financial systems, procedures and related IT applications
- 3.6 Internal controls, authorization, security of data and compliance within business
- 3.7 Fraud and fraudulent behavior and their prevention in business, including money laundering.

4 Leading and managing individuals and teams

- 4.1 Leadership, management and supervision
- 4.2 Recruitment and selection of employees
- 4.3 Individual and group behavior in business organizations
- 4.4 Team formation, development and management
- 4.5 Motivating individuals and groups
- 4.6 Learning and training at work
- 4.7 Review and appraisal of individual performance.

5 Personal effectiveness and communications in business

- 5.1 Personal effectiveness techniques
- 5.2 Consequences of ineffectiveness at work
- 5.3 Competence frameworks and personal development

5.4 Sources of conflicts and techniques for conflict resolution and referral

5.5 Communicating in business.

6 Personal ethics in accounting and business

6.1 Fundamental principles of ethical behavior

6.2 The role of regulatory and professional bodies in promoting ethical and professional standards in the accountancy profession

6.3 Corporate codes of ethics

6.4 Ethical conflicts and dilemmas

DETAILED SYLLABUS

A The business organization, its stakeholders and external environment.

1 The purpose and types of business organisation

- Define 'business organizations' and explain why they are formed.[K]
- Describe common features of business organizations.[K]
- Outline how business organizations differ.[K]
- List the industrial and commercial sectors in which business organizations operate.[K]
- Identify the different types of business organisation and their main characteristics:[K] i) Commercial ii) Not-for-profit iii) Public sector iv) Non-governmental organizations v) Cooperatives

2 Stakeholders in business organizations

- Define stakeholders and explain the agency relationship in business and how it may vary in different types of business organisation.[K]
- Define internal, connected and external stakeholders and explain their impact on the organisation.[K]
- Identify the main stakeholder groups and the objectives of each group.[K]
- Explain how the different stakeholder groups interact and how their objectives may conflict with one another.[K]
- Compare the power and influence of various stakeholder groups and how their needs should be accounted for, such as under the Medlow framework.[K]

3 Political and legal factors affecting business

- Explain how the political system and government policy affect the organisation.[K]
- Describe the sources of legal authority, including supra-national bodies, national and regional governments.[K]
- Explain how the law protects the employee and the implications of employment legislation for the manager and the organisation.[K]
- Identify the principles of data protection and security.[K]
- Explain how the law promotes and protects health and safety in the workplace.[K]
- Recognize the responsibility of the individual and organisation for compliance with laws on data protection, security and health and safety.[K]
- Outline principles of consumer protection such as sale of goods and simple contract.[K]

4 Macroeconomic factors

- Define macro-economic policy and explain its objectives.[K]
- Explain the main determinants of the level of business activity in the economy and how variations in the level of business activity affect individuals, households and businesses.[K]
- Explain the impact of economic issues on the individual, the household and the business: [K] i) Inflation ii) Unemployment iii) Stagnation iv) International payments disequilibrium.
- Describe the main types of economic policy that may be implemented by

government and supra-national bodies to maximize economic welfare.[K]

- Recognize the impact of fiscal and monetary policy measures on the individual, the household and businesses.[K]

5 Micro economic factors

- Define the concept of demand and supply for goods and services.[K]
- Explain elasticity of demand and the impact of substitute and complementary goods.[K]
- Explain the economic behavior of costs in the short and long term.[K]
- Define perfect, competition, oligopoly, monopolistic competition and monopoly.[K]

6 Social and demographic factors

- Explain the medium and long-term effects of social and demographic trends on business outcomes and the economy.[K]
- Describe the impact of changes in social structure, values, attitudes and tastes on the organisation.[K]
- Identify and explain the measures that governments may take in response to the medium and long-term impact of demographic change.[K]

7 Technological factors

- Explain the potential effects of technological change on the organisation structure and strategy:[K] i) Downsizing ii) Delaying iii) Outsourcing
- Describe the impact of information technology and information systems development on business processes.[K]

8 Environmental factors

- List ways in which the businesses can affect or be affected by its physical environment.[K]

- Describe ways in which businesses can operate more efficiently and effectively to limit damage to the environment.[K]
- Identify the benefits of economic sustainability to stakeholders.[K]

9 Competitive factors

- Identify a business's strengths, weaknesses opportunities and threats (SWOT) in a market and the main sources of competitive advantage.[K]
- Identify the main elements within Porter's value chain and explain the meaning of a value network'...[K]
- Explain the factors or forces that influence the level of competitiveness in an industry or sector using Porter's five forces model.[K]
- Describe the activities of an organisation that affect its competitiveness:[K] i) Purchasing ii) Production iii) Marketing iv) Service

B Business organization structure, function and governance

1 The formal and informal business organisation

- Explain the informal organisation and its relationship with the formal organisation.[K]
- Describe the impact of the informal organisation on the business.[K]

2 Business organizational structure and design

- Describe Mintzberg's components of the organisation and explain the different ways in which formal organizations may be structured [K]: (i) Entrepreneurial (ii) Functional (iii) Matrix (iv) Divisional: (geographical, by product, or by customer type) (v) Boundary less: (virtual, hollow or modular)

- Explain basic organizational structure concepts:[K] i) Separation of ownership and management ii) Separation of direction and management iii) Span of control and scalar chain iv) Tall and flat organizations (v) Outsourcing and offshoring, (vi) Shared services approach
- Explain the characteristics of the strategic, tactical and operational levels in the organisation in the context of the Anthony hierarchy.[K]
- Explain centralization and decentralization and list their advantages and disadvantages.[K]
- Describe the roles and functions of the main departments in a business organisation: [K] i) Research and development ii) Purchasing iii) Production iv) Direct service provision v) Marketing vi) Administration vii) Finance.
- Explain the role of marketing in an organisation: [K] i) Definition of marketing ii) Marketing mix iii) Relationship of the marketing plan to the strategic plan

3 Organizational culture in business

- Define organizational culture.[K]
- Describe the factors that shape the culture of the organisation.[K]
- Explain the contribution made by writers on culture:[K] i) Schein – determinants of organizational culture ii) Handy – four cultural stereotypes iii) Hoselitz – international perspectives on culture

4 Committees in business organizations

- Explain the purposes of committees.[K]
- Describe the types of committee used by business organizations[K]
- List the advantages and disadvantages of committees.[K]
- Explain the roles of the Chair and Secretary of a committee.[K]

5 Governance and social responsibility in business

- Explain the agency concept in relation to corporate governance.[K]
- Define corporate governance and social responsibility and explain their importance in contemporary organizations.[K]
- Explain the responsibility of organizations to maintain appropriate standards of corporate governance and corporate social responsibility.[K]
- Briefly explain the main recommendations of best practice in effective corporate governance:[K] i) Executive and non-executive directors ii) Remuneration committees iii) Audit committees iv) Public oversight
- Explain how organizations take account of their social responsibility objectives through analysis of the needs of internal, connected and external stakeholders.[K]
- Identify the social and environmental responsibilities of business organizations to internal, connected and external stakeholders.[K]

C Accounting and reporting systems, controls and compliance

1 The relationship between accounting and other business functions

- Explain the relationship between accounting and other key functions within the business such as procurement, production and marketing. [K]
- Explain financial considerations in production and production planning. [K]
- Identify the financial issues associated with marketing.[S]
- Identify the financial costs and benefits of effective service provision. [S]

2 Accounting and finance functions within business organizations

- Explain the contribution of the accounting function to the formulation, implementation, and control of the organization's policies, procedures, and performance.[K]
- Identify and describe the main financial accounting functions in business:[K] i) recording financial information ii) codifying and processing financial information iii) preparing financial statements
- Identify and describe the main management accounting and performance management functions in business: [K] i) Recording and analyzing costs and revenues ii) Providing management accounting information for decision-making iii) Planning and preparing budgets and exercising budgetary control.
- Identify and describe the main finance and treasury functions: [K] i) Calculating and mitigating business tax liabilities ii) Evaluating and obtaining finance iii) Managing working capital iv) Treasury and risk management.
- Identify and describe the main audit and assurance roles in business i) Internal audit ii) External audit.[K]
- Explain the main functions of the internal auditor and the external auditor and how they differ.[K]

3 Principles of law and regulation governing accounting and auditing

- Explain basic legal requirements in relation to retaining and submitting

proper records and preparing and auditing financial reports.[K]

- Explain the broad consequences of failing to comply with the legal requirements for maintaining and filing accounting records.[K]
- Explain how the international accountancy profession regulates itself through the establishment of reporting standards and their monitoring.[K]

4 The sources and purpose of internal and external financial information, provided by business

- Explain the various business purposes for which the following financial information is required:[K] (i) The statement of profit or loss (ii) The statement of financial position (iii) The statement of cash flows (iv) Sustainability and integrated reports
- Describe the main purposes of the following types of management accounting reports.[K]: i) Cost schedules (ii) Budgets (iii) Variance reports

5 Financial systems, procedures and related IT applications

- Identify an organization's system requirements in relation to the objectives and policies of the organisation.[S]
- Describe the main financial systems used within an organisation: [S] i) Purchases and sales invoicing ii) Payroll iii) Credit control iv) Cash and working capital management.
- Explain why it is important to adhere to policies and procedures for handling clients' money.[K]
- Identify weaknesses, potential for error and inefficiencies in accounting systems.[S]
- Recommend improvements to accounting systems to prevent error and fraud and to improve overall efficiency.[S]

- Explain why appropriate controls are necessary in relation to business and IT systems and procedures.[S]
- Identify business uses of computers and IT software applications:[S] i) Spreadsheet applications ii) Database systems iii) Accounting packages h) Describe and compare the relative benefits and limitations of manual and automated financial systems that may be used in an organisation.[K]

6 Internal controls, authorization, security of data and compliance within business

- Explain internal control and internal check.[K]
- Explain the importance of internal financial controls in an organisation.[K]
- Describe the responsibilities of management for internal financial control.[K]
- Describe the features of effective internal financial control procedures in an organisation, including authorization.[K]
- Identify and describe the types of information technology and information systems used by the business organisation for internal control.[S]
- Identify and describe features for protecting the security of IT systems and software within business.[S]
- Describe general and application systems controls in business.[K]

7 Fraud and fraudulent behavior and their prevention in business, including money laundering.

- Explain the circumstances under which fraud is likely to arise.[K]
- Identify different types of fraud in the organisation.[K]
- Explain the implications of fraud for the organisation.[K]

- Explain the role and duties of individual managers in the fraud detection and prevention process.[K]
- Define the term money laundering.[K]
- Give examples of recognized offences under typical money laundering regulations.[K]
- Identify methods for detecting and preventing money laundering.[K]
- Explain how suspicions of money laundering should be reported to the appropriate authorities.[K]

D Leading and managing individuals and teams

1 Leadership, management and supervision

- Define leadership, management and supervision and explain the distinction between these terms.[K]
- Explain the nature of management:[K] i) Scientific/classical theories of management Fayol, Taylor ii) The human relations school – Mayo iii) The functions of a manager – Mintzberg, Drucker
- Explain the areas of managerial authority and responsibility.[K]
- Explain the situational, functional and contingency approaches to leadership with reference to the theories of Adair, Fiedler, Bennis, Kotter and Heifetz.[K]
- Describe leadership styles and contexts: using the models of Ashridge, and Blake and Mouton.[K]

2 Recruitment and selection of employees

- Explain the importance of effective recruitment and selection to the organisation.[K]
- Describe the recruitment and selection process and explain the stages in this process.[K]

- Describe the roles of those involved in the recruitment and selection processes.[K]
- Describe the methods through which organizations seek to meet their recruitment needs.[K]
- Explain the advantages and disadvantages of different recruitment and selection methods.[K]
- Explain the purposes and benefits of diversity and equal opportunities policies within the human resources plan.[K]
- Explain the practical steps that an organisation may take to ensure the effectiveness of its diversity and equal opportunities policy.[K]

3 Individual and group behavior in business organizations

- Describe the main characteristics of individual and group behavior.[K]
- Outline the contributions of individuals and teams to organizational success.[K]
- Identify individual and team approaches to work.[K]

4 Team formation, development and management

- Explain the differences between a group and a team.[K]
- Explain the purposes of a team.[K]
- Explain the role of the manager in building the team and developing individuals within the team.[K] i) Belbin's team roles theory ii) Tuckman's theory of team development
- List the characteristics of effective and ineffective teams.[K]
- Describe tools and techniques that can be used to build the team and improve team effectiveness.[K]

5 Motivating individuals and groups

- Define motivation and explain its importance to the organisation, teams and individuals.[K]
- Explain content and process theories of motivation: Maslow, Herzberg, McGregor, and Vroom.[K]
- Explain and identify types of intrinsic and extrinsic reward.[K]
- Explain how reward systems can be designed and implemented to motivate teams and individuals.[K]

6 Learning and training at work

- Explain the importance of learning and development in the workplace.[K]
- Describe the learning process: Honey and Mumford, Kolb.[K]
- Describe the role of the human resources department and individual managers in the learning process.[K]
- Describe the training and development process: identifying needs, setting objectives, programme design, delivery and validation.[K]
- Explain the terms 'training', 'development' and 'education' and the characteristics of each.[K]
- List the benefits of effective training and development in the workplace.[K]

7 Review and appraisal of individual performance.

- Explain the importance of performance assessment.[K]
- Explain how organizations assess the performance of human resources.[K]
- Define performance appraisal and describe its purposes.[K]
- Describe the performance appraisal process.[K]
- Explain the benefits of effective appraisal.[K]

- Identify the barriers to effective appraisal and how these may be overcome.[K]

E Personal effectiveness and communications in business

1 Personal effectiveness techniques

- Explain the importance of effective time management.[K]
- Describe the barriers to effective time management and how they may be overcome.[K]
- Describe the role of information technology in improving personal effectiveness.[S]

2 Consequences of ineffectiveness at work

- Identify the main ways in which people and teams can be ineffective at work.[S]
- Explain how individual or team ineffectiveness can affect organizational performance.[K]

3 Competence frameworks and personal development

- Describe the features of a 'competence framework'.[S]
- Explain how a competence framework underpins professional development needs.[S]
- Explain how personal and continuous professional development can increase personal effectiveness at work.[S]
- Explain the purpose and benefits of coaching, mentoring and counseling in promoting employee effectiveness [K]
- Describe how a personal development plan should be formulated, implemented, monitored and reviewed by the individual.[S]

4 Sources of conflicts and techniques for conflict resolution and referral

- Identify situations where conflict at work can arise.[S]
- Describe how conflict can affect personal and organizational performance.[S]
- Identify ways in which conflict can be managed.[S]

5 Communicating in business.

- Describe methods of communication used in the organisation and how they are used.[K]
- Explain how the type of information differs and the purposes for which it is applied at different levels of the organisation: strategic, tactical and operational.[K]
- List the attributes of good quality information.[K]
- Explain a simple communication model: sender, message, receiver, feedback, noise.[K]
- Explain formal and informal communication and their significance in the workplace.[K]
- Identify the consequences of ineffective communication.[K]
- Describe the attributes of effective communication.[K]
- Describe the barriers to effective communication and identify practical steps that may be taken to overcome them.[K]
- Identify the main patterns of communication.[K]

F Personal ethics in accounting and business

1 Fundamental principles of ethical behavior

- Define business ethics and explain the importance of ethics to the organisation and to the individual.[K]
- Describe and demonstrate the following principles from the IFAC (IESBA) code of ethics, using examples.[K] (i) Integrity (ii) Objectivity (iii) Professional competence (iv) Confidentiality (v) Professional behavior
- Describe organizational values which promote ethical behavior using examples.[K] (i) Openness (ii) Trust (iii) Honesty (iv) Respect (v) Empowerment (vi) Accountability
- Explain the concept of acting in the public interest.[K]

2 The role of regulatory and professional bodies in promoting ethical and professional standards in the accountancy profession

- Recognize the purpose of international and organizational codes of ethics and codes of conduct, IFAC (IESBA), ACCA etc.[K]
- Describe how professional bodies and regulators promote ethical awareness

and prevent or punish illegal or unethical behavior.[K]

- Identify the factors that distinguish a profession from other types of occupation.[1]
- Explain the role of the accountant in promoting ethical behavior.[K]
- Recognize when and to whom illegal, or unethical conduct by anyone within or connected to the organisation should be reported [K]

3 Corporate codes of ethics

- Define corporate codes of ethics.[K]
- Describe the typical contents of a corporate code of ethics.[K]
- Explain the benefits of a corporate code of ethics to the organisation and its employees.[K]

4 Ethical conflicts and dilemmas

- Describe situations where ethical conflicts can arise.[K]
- Identify the main threats to ethical behavior.[K]
- Outline situations at work where ethical dilemmas may be faced.[K]
- List the main safeguards against ethical threats and dilemmas.[K]