



**Omega International College**

CPE Reg. 201001528E

# **Executive Diploma in Finance and Accounting (EDFA)**

## **Course Syllabus**

**Course Title** : Executive Diploma in Finance and Accounting (EDFA)  
**Awarding Organisation** : Omega International College, Singapore  
**Mode of Delivery** : Classroom Face to Face Lectures and Tutorials

**Course Duration (Without Exemption)**

Full-Time : 24 months (5 days per week, 3 hours per day)

Part-Time : 30 months (3 days per week, 3 hours per day)

**Admission Requirement:**

- 18 years old and above,
- Pass in 3 “O” Levels or equivalent (includes English); OR
- Certificate in Computerised Accounting or other equivalent qualification deemed acceptable by Omega International College; OR
- Mature students above 21 years of age with secondary school education and working experience may be considered on a case-by-case basis

**Exemptions:**

All exemptions are subject to academic board approval.

**Assessment:**

- All Modules are assessed by Closed Book Written Examination / Practical Assignment at the end of Term
- Students must achieve a Minimum of 50% Marks to pass each Module

**Graduation Requirements:**

- Student must pass all prescribed modules (with the exception of exempted modules)
- Meet the Minimum attendance requirement of 80%

## Learning outcomes of the program;

1. Describe the accounting processes, encompassing financial accounting, management accounting, taxation and auditing and integrating accounting information into a broader legal, commercial and business context
2. Perform financial accounting processes that record, measure and report the transactions and performance of an organisation in a manner that complies with applicable accounting standards;
3. Apply broader accounting issues in corporate responsibility, ethics and governance
4. Analyse accounting information to evaluate cost and efficiency, performance and value creation, the achievement of strategic objectives & compliance with applicable accounting standards;
5. Identify the broader social, legal, economic and business context within which accounting operates
6. Perform management accounting processes that record, measure and report the effectiveness and efficiency of the organisation, its performance and position in a manner useful for managerial decision making;
7. Communicate effectively with other management professionals and business stakeholders synthesising issues in accounting and finance, operations, marketing, people and organisations
8. Solve business and commercial problems and communicating with other business professionals in non-accounting disciplines of management

## Course Modules

	Modules	
	Code	Title
1	EDFA5001	Quantitative Techniques (QT)
2	EDFA5002	Commercial Calculations (CC)
3	EDFA5003	Computerised Accounting Skills (CS)
4	EDFA5004	Principle of Accounting (PA)
5	EDFA5005	Principle of Costing (PC)
6	EDFA5006	Accounting Systems and Control (AS)
7	EDFA5007	Financial Accounting (FA)
8	EDFA5008	Managerial Accounting (MA)
9	EDFA5009	Corporate Reporting (CR)
10	EDFA5010	Financial Management (FM)
11	EDFA5011	Business Taxation (BT)
12	EDFA5012	Organisation Behavior (OB)
13	EDFA5013	Business Finance (BF)
14	EDFA5014	Business Ethics (BE)
15	EDFA5015	Employability Skills (ES)
16	EDFA5016	Auditing (AD)
17	EDFA5017	Business Law (BL)
18	EDFA5018	Company Law (CL)

<b>Name of Course</b>	Executive Diploma in Finance and Accounting (EDFA)
<b>Subject Code</b>	EDFA5001
<b>Subject Name</b>	Quantitative Techniques (QT)
<b>Pre-Requisite</b>	NIL
<b>Exam Format</b>	4 Compulsory Questions, 3 hours duration

## Objectives

- \* A knowledge and understanding of some statistical techniques
- \* The ability to apply this knowledge and understanding in solving business problems

## Course Outlines

### 1) Sampling, Surveys, Questionnaires

- Surveys
- Censuses
- Samples
- Sampling Methods
- Bias
- Questionnaires
- Pilot Survey

### 2) Clarification & Tabulation of Data

- Tabulation
- Classification of Data
- Tally Charts
- Frequency Tables

### 3) Statistics on Display

- Pictorial Representation of Data
- Pictograms
- Bar Charts
- Pie Charts
- Line Graphs
- Frequency Polygons
- Drawing Inferences from Diagrams

### 4) Averages & Range:

- The Arithmetic Mean
- The Mode
- The Median
- The Use of Mean, Mode & Median
- The Mean & Median of a Frequency Distribution Range
- Cumulative Frequency

### 5) Correlation Analysis

- Product Moment Correlation
- Coefficient of Determination
- Rank Correlation
- Least Square Regression Lines

### 6) Time Series and Index Numbers

- Introduction of Time Series
- Moving Averages
- Seasonal Variations
- Index Numbers

7) **Probabilities and Normal Distribution**

- Introduction of Probabilities
- Principles of Probabilities
- Venn Diagrams
- Probabilities Trees
- Normal Distribution Analysis

8) **Hypothesis Testing**

- Confidence Interval
- Concept of Hypothesis Testing
- Theories of Hypothesis Testing
- Chi Square Test Analysis
- Large Samples Test Analysis
- Small Samples Test Analysis

<b>Recommended Reading List and Support Material Reading List</b>		
<b>Title</b>	<b>Author(s)</b>	<b>Publisher</b>
Application of Number	B.Gaulter & L Bushanan	Oxford University Press
Business Statistics	Douglas, Ph.D. Downing, Jeffrey, Ph.D. Clark, Jeff Clark	Barron's Educational Series

<b>Name of Course</b>	Executive Diploma in Finance and Accounting (EDFA)
<b>Subject Code</b>	EDFA5002
<b>Subject Name</b>	Commercial Calculations (CC)
<b>Pre-Requisite</b>	NIL
<b>Exam Format</b>	8 Compulsory Questions, 3 hours duration

### **Objectives**

- A broad knowledge and understanding of commercial calculations in relation to simple and compound interest, stock exchanges, business ownership, profitability and liquidity, investment appraisal, bankruptcy, depreciation of business assets and index numbers
- The ability to apply this knowledge and understanding in a business situation
- A knowledge and understanding of related terminology

### **Course Outlines**

- 1) Simple and compound interest
  - Terminology
  - Simple interest
  - Compound interest
- 2) Stock Exchanges
  - Terminology
  - Company Shares
  - Debentures / Loan Notes
  - Stocks and Shares
  - Unit Trusts
- 3) Business Ownership
  - Terminology
  - Revenue and Costs
  - Break-even Analysis
  - Income Statement
  - Statement of Financial Position
- 4) Accounting Ratios Analysis
  - Terminology
  - Profitability Ratios
  - Activity Ratios
  - Liquidity Ratios
  - Leverage Ratios
  - Valuation Ratios
- 5) Investment Appraisal
  - Terminology
  - Simple Payback Method
  - Average Rate of Returns
  - Net Present Values
  - Internal Rate of Returns
  - Discounted Payback Method

- 6) Insolvency
  - Terminology
  - Assets and Liabilities
  - Secured and Unsecured Creditors
  - Understanding the payment procedures
  - Calculation of payments to Unsecured Creditors
  
- 7) Business Assets Depreciation
  - Terminology
  - Policies of Depreciation
  - Method of Depreciation
    - Straight Line Method
    - Reducing Balance Method
  
- 8) Index Numbers
  - Terminology
  - Price Index Numbers
  - Quantity Index Numbers
  - Composite Index Numbers
  - Chain Base Index
  - Changing Base Index

<b>Recommended Reading List and Support Material Reading List</b>			
<b>Title</b>	<b>Author(s)</b>	<b>Publisher</b>	<b>ISBN Code</b>
Quantitative Methods	D Friend	Longman	0582 22969 6 X
Accounting for Non-Accounting Students (4th edition)	J R Dyson	Pitmans	0273 625756
Accounting in a Business Context & Robin Jarvis	Aidan Berry	Pitmans	0993 611052

<b>Name of Course</b>	Executive Diploma in Finance and Accounting (EDFA)
<b>Subject Code</b>	EDFA5003
<b>Subject Name</b>	Computerised Accounting Skills (CS)
<b>Pre-Requisite</b>	NIL
<b>Exam Format</b>	Practical Assignment, 3 hours duration

### **Objectives**

- Understanding the basic concept of Computerised Accounting
- Track department and job profitability
- Enter transaction data
- Managing debtors and creditors
- Month end processing
- Year end processing
- Generate a variety of reports

### **Course Outlines**

#### **9) Introduction of Computerised Accounting**

- Basic Concept of Computerised Accounting
- Comparison between Manual and Computerised Accounting
- Chart of Accounts Grouping
- Procedures in Computerised Accounting

#### **10) General Setup**

- System Setup
- Multi-Company Setting
- Users Control Setup
- Company Profile Setting
- Change Password
- General Ledger Account Maintainance
- Backup and Restore

#### **11) Preliminary Transactions**

- Debtors File Maintainance
- Creditors File Maintainance
- Opening Balance
- Distribute Debtors Aging Analysis
- Distribute Creditors Aging Analysis
- Maintain Stocks Values

#### **12) Transactions Processing**

- Organise Batches
- Modify Batches
- Delete Batches
- Enter Transactions
- Modify Transactions
- Delete Transactions



### 13) Modify Setting and Period End Adjustment

- Change Account Type Descriptions
- Lock Batches
- Unlock Batches
- Depreciations
- Provision for Doubtful Debts
- Month End Processing
- Year End Processing

### 14) Departmental Accounts

- Departmental Account Setting
- Maintain Project Titles
- Transaction Processing
- Consolidated Departmental Statement

<b>Recommended Reading List and Support Material Reading List</b>		
<b>Title</b>	<b>Author &amp; Publisher</b>	<b>ISBN Code</b>
Sage UBS Accounting Self Study Guide 2011 Edition	Sage Software Sdn. Bhd.	9 7898334931428

<b>Name of Course</b>	Executive Diploma in Finance and Accounting (EDFA)
<b>Subject Code</b>	EDFA5004
<b>Subject Name</b>	Principles of Accounting (PA)
<b>Pre-Requisite</b>	NIL
<b>Exam Format</b>	4 Compulsory Questions, 3 hours duration

## **Objectives**

- \* To prepare and record business transactions
- \* To complete a variety of pro-forma business documents
- \* Understanding of the basic principles underlying the recording of business transactions
- \* Ability to maintain the books of, and prepare final accounts for sole traders and non-trading organisation

## **Course Outlines**

### **1) An Introduction to Accounting:**

- What is Accounting?
- Business Organisations and Sources of Finance
- Introducing Financial Statements: Income Statement and Statement of Financial Position (SOFP)
- The Role of the Accountant and the Accounts Office

### **2) Supply Information for Management Control:**

- The Purpose of Management Information
- The Use of Cost Centres and Coding of Costs
- Providing Comparisons on Costs and Income
- A Brief Introduction to Wages
- Control Accounts: Sales and Purchase Ledger Control

### **3) The Accounting Model:**

- Recording Financial Transactions: The Ledger System and Trial Balance The
- Running Balance Method of Recording
- Recording Transactions on Credit: The Sales Day Book The
- Purchases Day Book
- The Returns Day Book
- Banking Services
- The Cash Book
- The Bank Reconciliation Statement
- The Petty Cash Book
- Capital and Revenue Expenditure
- The Trial Balance, Journal and Suspense Accounts

### **4) The Construction of Financial Statements:**

- Financial Statements: The Calculation of Profits
- Adjustments: Accruals, Prepayments and Drawings
- Adjustments: Irrecoverable Debts and Allowances for Receivables
- Depreciation of Non-Current Assets
- Partnership Accounts
- Company Accounts
- Non-Trading Organisation
- The Extended Trial Balance

**5) Using Accounting Information:**

- Accounting Ratios and Preparing Reports
- Accounting Standards: International Accounting Standards (IASs)
- Accounting for Inventory
- Manufacturing Accounts
- Marginal Costing
- Budgeting

<b>Recommended Reading List and Support Material Reading List</b>		
<b>Title</b>	<b>Author(s)</b>	<b>Publisher</b>
Frank Wood's Bookkeeping & Accounts	Robinson & Wood	Prentice Hall
A Complete Course in Business Accounting	R Giles	Nelson Thornes
Frank Wood's Business Accounting 1	Wood & Sangster	Pitman

<b>Name of Course</b>	Executive Diploma in Finance and Accounting (EDFA)
<b>Subject Code</b>	EDFA5005
<b>Subject Name</b>	Principles of Costing (PC)
<b>Pre-Requisite</b>	NIL
<b>Exam Format</b>	4 Compulsory Questions, 2 hours duration

### Objectives

- \* A detailed understanding of how financial transaction data may be processed to provide Cost Accounting Data
- \* A basic understanding of how cost accounting information can be used for planning and Control within business organisations
- \* The ability to apply this understanding of planning and control in a variety of business setting

### Course Outlines

- 1) **Introduction of Cost Accounting**
  - What is Costing?
  - Framework
  - Classification & Coding
- 2) **Material Costing**
  - Purchasing, Reception & Storage
  - Stock Recording & Inventory Control
  - Pricing Issues & Stock
- 3) **Labour & Overheads**
  - Remuneration Methods
  - Recording, Costing & Allied Procedures
  - Overheads
  - Cost Accounts
- 4) **Costing Methods:**
  - Introduction
  - Job & Batch
  - Contract
  - Operation & Service
  - Process
  - Joint & By-Product

<b>Recommended Reading List and Support Material Reading List</b>		
<b>Title</b>	<b>Author(s)</b>	<b>Publisher</b>
Costing	T Lucey	Continuum
Cost Accounting	Glautier & Underdown	Pitman

<b>Name of Course</b>	Executive Diploma in Finance and Accounting (EDFA)
<b>Subject Code</b>	EDFA5006
<b>Subject Name</b>	Accounting Systems and Control (AS)
<b>Pre-Requisite</b>	EDFA 5003 Computerised Accounting Skills (CS)
<b>Exam Format</b>	Practical Assignment, 3 hours duration

### Objectives

- Setting up initial business data in a computerised accounting system
- Processing and completing advanced business transactions
- Producing and analysing end period reports
- Producing and reviewing a range of routine and non-routine accounting reports for management purpose

### Course Outlines

#### **1) Setting Up Initial Data**

- Company Details
- Financial Period
- Multi-Currency
- Chart of Accounts
- Control Accounts

#### **2) Transaction Processing**

- Accounts Receivables
- Accounts Payables
- General Journal

#### **3) Special Transactions**

- Acquisition of Non-Current Assets
- Disposal of Non-Current Assets
- Trade-In Transaction
- Contra Transaction
- Job Setting
- Job Transaction
- Categories Setting
- Categories Transaction

#### **4) Year End Adjustment**

- Depreciation for Non-Current Assets
- Prepayments
- Accruals
- Provision

#### **5) Amending Chart of Accounts**

- Combined of Accounts Code
- Changing of Accounts Code
- Changing of Accounts Description

## 6) Producing and Analysing Period End Reports

- Accounts Lists
- General Ledgers
- Trial Balance
- Statement of Comprehensive Income
- Statement of Changes in Equity
- Statement of Cash Flows
- Statement of Financial Positions

## 7) Producing and Reviewing Routine and Non-Routine Reports

- Variance Statement (actual results Vs budgets)
- Comparative Financial Statement (monthly, annually)
- Accounting Ratios Analysis

<b>Recommended Reading List and Support Material Reading List</b>		
<b>Title</b>	<b>Author &amp; Publisher</b>	<b>ISBN Code</b>
Computerised Accounting Study Guide (2012 Edition)	MYOB Asia Sdn. Bhd.	9789834168520

<b>Name of Course</b>	Executive Diploma in Finance and Accounting (EDFA)
<b>Subject Code</b>	EDFA5007
<b>Subject Name</b>	Financial Accounting (FA)
<b>Pre-Requisite</b>	EDFA5004 Principle of Accounting (PA)
<b>Exam Format</b>	4 Compulsory Questions, 3 hours duration

## **Objectives**

- \* Be able to prepare accounts for a partnership firm
- \* Be able to prepare the accounting entries for a limited company to record the issues of share capital and the issue and redemption of debentures and to account for distributable profits and profits prior to incorporation
- \* Be able to prepare accounts for branches , investments , joint ventures and interest on capital
- \* Be able to prepare cash flow statements in accordance with the revised FRS1
- \* Be able to prepare cash budget
- \* Be able to calculate and interpret accounting ratios and accounting statements

## **Course Outlines**

### **1) Special Accounts**

- Valuation of Inventories
- Depreciation for Non-Current Assets
- Prepayment and Accruals
- Control Accounts
- Correction of Errors
- Incomplete Records

### **2) Financial Statement**

- Statement of Comprehensive Income (SOCI)
- Statement of Changes in Equity (SOCE)
- Statement of Financial Position (SOFP)
- Statement of Cash Flows (SOCF)

### **3) Presentation of Financial Statements**

- Sole-Trader
- Partnerships
- Limited Companies
- Non-Trading Organisation

### **4) Interpretation of Financial Statements**

- Introduction of Accounting Ratios Analysis
- Importance of Accounting Ratios
- Limitation of Accounting Ratios
- Profitability Ratios
- Activity Ratios
- Liquidity Ratios
- Leverage Ratios
- Valuation Ratios

### **5) Accounting in Group of Companies**

- Introduction of Group Accounts
- Calculations of Goodwill
- Consolidated Income Statement
- Consolidated Statement of Financial Positions

Recommended Reading List and Support Material Reading List

<b>Title</b>	<b>Author(s)</b>	<b>Publisher</b>
Frank Wood's Business Accounting 2	Wood & Sangster	Pitman
Financial Accounting	A R Jennings	DP Publications
Spicer & Pegler's Bookkeeping & Accounts	P Gee	Butterworth
Accounting & Financial Reporting Standards	Geoff Black	DP Publications



<b>Name of Course</b>	Executive Diploma in Finance and Accounting (EDFA)
<b>Subject Code</b>	EDFA5008
<b>Subject Name</b>	Managerial Accounting (MA)
<b>Pre-Requisite</b>	EDFA5005 Principle of Costing (PC)
<b>Exam Format</b>	4 Compulsory Questions, 3 hours duration

### Objectives

- Critically analyse information for short-term and long-term decision-making
- Use management accounting information for planning and control of cash and other resource with a business organisation
- Understand business performance measures
- A detailed understanding of how financial transaction data may be processed to provide cost accounting data
- A detailed understanding of how cost accounting information can be used for planning and control and within business organisations
- The ability to apply this understanding of planning and control in a variety of business settings

### Course Outlines

#### 5) **Fundamental of Cost Accounting**

- Material Costing
- Labour Costing
- Overhead Costing
- Activity Based Costing

#### 6) **Costing Method:**

- Process Costing
- By-Product
- Joint Product

#### 7) **Planning, Control & Decision Making:**

- Cost Behaviour
- Marginal & Absorption Costing
- Short Run Decision Making
- Breakeven Analysis

#### 8) **Capital Investment Appraisal**

- Simple Payback Method
- Discounted Payback Method
- Average Rate of Returns
- Net Present Value
- Internal Rate of Returns
- Profitability Index
- Weighted Average Costs

#### 9) **Budgets**

- Introduction of Budgets
- Budget Concepts
- Budget Procedures
- Functional Budgets
- Cash Budgets
- Flexible Budgets

### 10) Standards

- Introduction to Standard Costing
- Types of Standards
- Cost Variances
- Sales Variances
- Variance Statement

<b>Title</b>	<b>Author(s)</b>	<b>Publisher</b>
Costing – T Lucey	T Lucey	Continuum
Cost Accounting – Glautier & Underdown	Glautier & Underdown	Pitman

<b>Name of Course</b>	Executive Diploma in Finance and Accounting (EDFA)
<b>Subject Code</b>	EDFA5009
<b>Subject Name</b>	Corporate Reporting
<b>Pre-Requisite</b>	Completed EDFA5007 Financial Accounting
<b>Exam Format</b>	4 Compulsory Questions, 3 hours duration

## **Objectives**

This Subject enables learners to develop core knowledge and skills to assess appropriate treatment of, analyse, interpretation and implementation of the accounting framework, International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), essential in the preparation of financial statements of entities.

### **1) Understand the regulatory framework of financial reporting**

The IASB and the regulatory framework, International Accounting Standards Board (IASB), interpretation of International Financial Reporting Standards (FRSs), responsibilities of the FRS Interpretations Committee,

### **2) Understand the objective of conceptual framework for reporting of an entity**

The need for a conceptual framework, the IASB conceptual framework, the objective of general purpose financial reporting, underlying assumption, qualitative characteristics of useful financial information, the elements of financial statements, recognition of the elements of financial statements and measurement of the elements of financial statements.

### **3) Understand Financial Information for Financial Statements**

Objectives of financial statements, concepts of assets, liabilities & the accounting equation, qualities of financial information / measurement and foundations for preparing financial statements

### **4) Prepare Financial Statements**

Preparation of statement of comprehensive income (SOCI), preparation of statement of changes in equity (SOCE) preparation of the statement of financial position (SOFP), reporting financial performance, treatment of non-current assets in statements, treatment of share capital & reserves in statements, preparation of group accounts, preparation of statement of cash flows and other elements of corporate annual reports.

### **5) Analyse the Statement of Cash Flows**

Statement of cash flows, IAS 7: Statement of cash flows, benefits of cash flow information, definition of cash, cash equivalents, operating activities, investing activities, financing activities, reporting cash flows from operating activities, direct method vs. indirect method, preparing a statement of cash flows. Interpretation of statements of cash flows, components of cash and cash equivalents.

## **6) Understand The Disclosure Requirements of Related Party and Operating Segment**

Related party disclosures and segment reporting, different concepts related to related party transactions, IAS24: Related party disclosures, FRSS: Operating segments, definition of operating segments, determining reportable segments

## **7) Analyse Accounting Treatment related to Group Financial Statements**

Group accounts, consolidated & separate financial statements, content of group accounts & group structure, group accounts: the related parties issue, disclosure,FRS 10: summary of consolidation procedures, non-controlling interests – FRS 3 (revised), dividends paid by a subsidiary, goodwill arising on consolidation, intra-group trading, intra-group sales of non-current assets, acquisition of a subsidiary during its accounting period, fair values in acquisition accounting, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of financial position.

<b>Recommended Reading List and Support Material Reading List</b>			
<b>Title</b>	<b>Author(s)</b>	<b>Publisher</b>	<b>ISBN Code</b>
International Financial Reporting: a practical guide	Alan Melville	Financial Times Prentice Hall	978-0-273-75815-0
Frank Wood's Business Accounting Volume 2 (12 Edition)	Alan Sangster, Frank Wood	Financial Times Press	978-0-273-76779-4

<b>Name of Course</b>	Executive Diploma in Finance and Accounting (EDFA)
<b>Subject Code</b>	EDFA5010
<b>Subject Name</b>	Financial Management (FM)
<b>Pre-Requisite</b>	Completed EDFA5008 Managerial Accounting
<b>Exam Format</b>	4 Compulsory Questions, 3 hours duration

### **Objectives**

This subject allows candidates to develop knowledge and understanding of management accounting. The syllabus cover details practices & concepts required for the preparation of financial statements, general issues of performance management, costing systems, budgets, CVP analysis, decision making techniques, pricing decisions, transfer pricing, performance measurement, standard costing, performance in operations & production management and tools improving performance.

#### **1) Explore General Issues for Performance Management**

Mission, objectives, targets & strategy, concepts of performance measurement & performance management, responsibility centre & process-based organisations, information for control: IT systems, costing systems & management accounting, organisational structures, departmentation, decentralisation, divisionalisation, the decision-making process and reporting formats

#### **2) Explore Costing Systems for Performance Management**

Costing, measuring cost, direct costs and indirect costs (overheads), fixed costs & variable costs, absorption costing, over- and under-absorption, activity-based costing, marginal cost & marginal costing and costing methods.

#### **3) Understand Budget & Budgeting**

The functions of a budget, the budget preparation timetable, preparing functional budgets, budgets for service organisations, cash budgets, fixed & flexible budgets, computers & budgeting, strategic planning, operational planning & budgeting, zero-based budgeting (including advantages and limitations), activity-based budgeting (ABB), rolling budgets, the behavioural implications of budgeting, using budgets as targets, beyond budgeting, budgetary control, variances, flexible budgets & budgetary control and cash flow variances.

#### **4) Explore Cost-Volume-Profit (CVP) Analysis**

Marginal costs, contribution & profit, the breakeven point, the margin of safety, CVP & decision making, breakeven charts, multi product CVP analysis and the advantages & limitations of CVP analysis.

5) **Explore Decision Making Techniques in Managerial Accounting**

Decision making & relevant costs, cost behaviour & decision making, relevant costs & non-relevant costs, rules for identifying relevant costs, the relevant cost of scarce resources: limiting factors, make or buy decisions, activity-based costing (ABC) & decision making, uncertainty in decision making, probabilities and expected values.

6) **Explore Pricing and Pricing Decisions**

Pricing policy, setting prices, economic factors influencing the price of a product, demand-based approach to pricing, full cost plus pricing, variable cost plus pricing, opportunity cost approach to pricing (marginal pricing), fixed price tenders and target cost pricing.

7) **Understand Transfer Pricing**

Basic principles, profit centres & transfer pricing, problems with transfer pricing, transfers at market price, cost-based approaches to transfer pricing, opportunity cost & transfer pricing, the 'general rule' and negotiated transfer prices.

8) **Explore Tools for Performance Measurement**

Performance measurement & the planning/control system, disadvantages of financial performance indicators, growing emphasis on NFPIs, the value of NFPIs, NFPIs in relation to employees, NFPIs in relation to product/service quality, qualitative issues, measuring profitability, responsibility accounting, measures of shareholder value, critical success factors, key performance indicators, balanced scorecard, benchmarking, divisional organisation & responsibility accounting, return on investment (ROI), residual income, economic value added (EVA), accounting profit & controllable profit, measuring divisional performance by cash flows, using performance measures to manage performance, divisional performance & transfer pricing, behavioural consequences of performance measures, incentive schemes, external influences on performance and cultural factors.

9) **Explore Tools for Standard Costing**

Standard costs & standard costing, budgets & standard costs compared, Weal, attainable & current standards, standard cost variances, direct materials variances, direct labour variances, variable production overhead variances, fixed production overhead variances, sales price & sales volume variances, the reasons for variances, investigating variances, operating statements and variances in a standard marginal costing system.

10) **Evaluate Performance in Operations/ Production**

Key elements of operations management, operational structures & process-based structures and enterprise resource planning (ERP) systems.

11) **Explore Ways to Improve Performance**

Supply chain management, e-procurement, just-in-time production & purchasing, target costing & kaizen costing, outsourcing, joint ventures & partnerships, activity-based management & business process re-engineering, further aspects of ABM & BPR, total quality management (TQM) and value for money (VFM).

<b>Recommended Reading List and Support Material Reading List</b>			
<b>Title</b>	<b>Author(s)</b>	<b>Publisher</b>	<b>ISBN Code</b>
Managerial Accounting, 12 edition (February 20, 2007)	Ray Garrison, Eric Noreen, Peter Brewer	McGraw-Hill/Irwin	978-0-073-52670-6
<b>Managerial Accounting</b> Decision Making and Performance Improvement 4th Edition	Ray Proctor	Pearson Education	978-0-273-76448-9

<b>Name of Course</b>	Executive Diploma in Finance and Accounting (EDFA)
<b>Subject Code</b>	EDFA5011
<b>Subject Name</b>	Business Taxation (BT)
<b>Pre-Requisite</b>	NIL
<b>Exam Format</b>	4 Compulsory Questions, 3 hours duration

### **Objectives**

This subject is designed to provide students an understanding of the fundamental concepts and principles of the Singapore taxation system and the relevance of taxation to personal and business decision making.

Students are expected to display an understanding of the impact of all major taxes on the transactions of individuals, companies and special undertakings and be able to identify, discuss and advise on the tax issues in a particular situation as well as planning opportunities to minimise potential tax liabilities.

#### **1) Introduction of Tax**

##### **➤ The Singapore Tax System**

- Basic Concepts and Administration
- Resident Vs Non Resident
- Difference between Capital and Revenue gain
- Understanding Singapore Sourced and Foreign sourced income for individuals

##### **➤ Income tax perspective on financial statements**

- Understanding the basics of yearly financial statements
- Extraction of relevant information for preparing income tax computation
- Extraction of information such as foreign sourced income, payments to foreign entities, related company transactions etc

#### **2) Expenses and Reliefs**

##### **➤ Deductibility of Expenses**

- Deductibility of expenses
- Prohibition of expenses
- Double Deductions
- Treatment of donations
- Conditions to satisfy
- Carrying forward on unabsorbed approved donations

##### **➤ Reliefs and Rebates**

- Various reliefs and the conditions to satisfy
- Rebates and the conditions to satisfy



### 3) **Individual Tax**

#### ➤ **Taxation of Employment Income**

Including

- Salaries, Bonuses, Allowances
- Stock Options
- Benefits in Kind
- Directors' fees
- Income from Employment

#### ➤ **Income Tax treatment on various types of Income**

- Business Income
- Dividends, Interest Income, Rental Income
- Premiums and other property transactions
- Royalties
- Income tax treatment of foreign sourced income for individuals

#### ➤ **Exempt Income**

#### ➤ **Taxation of Self- Employed Individuals (Unincorporated Business)**

- Treatment of Business Income
- Deduction of Expenses
- Prohibitions
- Basic knowledge of capital allowance on assets claimed
- Basic documents to be retained
- Tax treatment of Sole Proprietorship and Partnership

### 4) **Capital Allowances**

#### ➤ **Capital Allowances**

- Industrial Building Allowances
- Plant and Machinery

#### ➤ **Income tax treatment of unabsorbed losses and capital allowances**

- Carry forward losses and Capital allowances and conditions to satisfy

## 5) Corporate Tax

### ➤ Preparing Corporate tax computation

- Local sourced and foreign sourced income
- Deductions, donations and capital allowances
- Full and Partial Exemption etc

## 6) Goods & Services Tax (GST)

<b>Recommended Reading List and Support Material Reading List</b>			
<b>Title</b>	<b>Author(s)</b>	<b>Publisher</b>	<b>ISBN Code</b>
Singapore Master Tax Guide Handbook 2013/14 (32nd Edition)	Tan How Teck	CCH Asia Ltd	9789814359788
Taxation in Singapore	Simon Poh	McGraw-Hill	9780071078764

<b>Name of Course</b>	Executive Diploma in Finance and Accounting (EDFA)
<b>Subject Code</b>	EDFA5012
<b>Subject Name</b>	Organisational Behaviour (OB)
<b>Pre-Requisite</b>	NIL
<b>Exam Format</b>	4 Compulsory Questions, 3 hours duration

## 1) Organisation Structure

- Understand organisation as a process for grouping and structuring tasks, allocating roles and responsibilities, to implement plans and achieve objectives
- Explain the concept and scope of organisation structure. Define and apply the principles of scalar chain of command, unity of command/direction and span of control
- Represent organisational relationships on hierarchical and matrix organisational charts
- Identify the basic types of organisation structure (i.e. line, line and staff, functional, divisional and matrix) and the advantages and disadvantages of each
- Describe the concepts of authority, power, responsibility, delegation and accountability
- Contrast the advantages and disadvantages of centralisation and decentralisation in given management situations

## 2) Organisation Function

- Understand the planning, organising, co-ordinating, directing and controlling functions of management and relate them to the main business functions of Finance, Marketing, Operations and Human Resources
- Define organisational culture and its constraints on management action. Understand the external environment and relationships with primary stakeholders such as customers, suppliers and distributors
- Explain the major factors in the external environment and relate the purpose of SWOT and PEST analysis to the planning process
- Draft outline mission and policy statements and recognise the role of objectives including social responsibility
- Define Management by Objectives (MBO) and its application to planning and motivation of employees
- Apply the overall planning and control process and understand the relationship between ends, means, results and feedback
- Define strategy and outline the steps in the strategic process
- Understand the management needs of the small but growing organisation
- Distinguish between strategic and operational decisions and outline the steps in the decision-making process
- Identify the advantages and disadvantages of group decisions

### **3) Management Development Process**

- Understand management as a process of achieving objectives through the functions of planning, organising, co-ordinating, directing and controlling
- Understand Mintzberg's interpersonal, informational and decisional roles, and the importance of time management
- Relate technical, human and conceptual skills to the work and contribution of management
- Distinguish the hierarchical levels of management, the role, time horizons and importance of each
- Explain the value of studying the development of management ideas and key contributions of significant academics and practitioners including:
  - Scientific management and the work of F W Taylor
  - Administrative management and Fayol
  - Max Weber's ideal bureaucracy
  - The Hawthorne Studies
  - McGregor's Theory X and Y
  - Ouchi's Theory Z
  - Systems and Contingency approaches

### **4) Managing Peoples**

- Distinguish between management and leadership
- Identify and outline the managerial leadership roles and styles associated with Likert, Blake and Mouton, Tannenbaum and Schmidt
- Compare trait, style and situational approaches to understanding the nature of leadership and the contribution of Fiedler to contingency theory
- Apply knowledge to the leadership and management of teams/groups
- Understand the theories of motivation, associated with Maslow, Herzberg and Vroom
- Assess the role of appraisal and the benefits of performance review to the individual and the organisation
- Distinguish between formal and informal groups and describe the main characteristics of informal groups
- Assess the concepts of Job Rotation, Job Enlargement, Job Enrichment and Empowerment to the achievement of job satisfaction
- Define human resource planning and explain the main stages

### **5) Managing Change**

- Discuss the skills relevant to managing change and the contribution of Handy to an understanding of the change process
- Explain why people are likely to resist change
- Assess techniques for reducing resistance to change: education, communication, involvement, negotiation, change agents
- Recommend how management should approach the implementation of cultural change
- Analyse current issues and challenges to management

## **6) Performance**

- Understand financial and performance objectives and the main methods of control
- Explain targets and the target setting process
- Identify a range of Financial and Non-Financial indicators against which an organisation's performance can be measured
- Understand the control elements of planning requirements, setting standards, monitoring, comparison and corrective action
- Define the terms budget and budgetary control and the sequence of steps involved in the preparation of a master budget
- Distinguish between capital and operating budgets
- Explain the purpose of budgetary controls and their relation to financial planning
- Understand other areas of control: key performance ratios, the total quality management (TQM) concept and the purposes and steps involved in benchmarking

## **7) Communication**

- Understand the importance of communication in the effective fulfilment of management functions
- Present a model of the stages in the communication process. Identify barriers (filtering, perception, "noise", language, culture) to effective communication
- Recommend strategies to overcome communication barriers eg feedback, active listening, simplified language
- Describe the nature and significance of information networks for the manager. Recognise the characteristics of informal communication
- Recognise the developing role of information technology in administration, operations, marketing and finance
- Define the term information system and outline current applications: transactions processing, office automation, executive information, decision support and management information systems
- Describe some current applications of office automation: electronic mail, video conferencing, voice processing computer

<b>Recommended Reading List and Support Material Reading List</b>			
<b>Title</b>	<b>Author(s)</b>	<b>Publisher</b>	<b>ISBN Code</b>
Management Theory and Practice	G A Cole	DP Publications	185805 1665
Modern Business Administration	R C Appleby	Pitman	0273 60282 9
Management and Organisational Behaviour	L J Mullins	Pitman	0273 61598 X
Gower Handbook of Management	D Lock (Ed)	Gower	0566 07477 X
Understanding Organisations	C B Handy	OUP	0195 087321
Management - Concepts and Practices	T Hannagan	Pitman	0273 631039

<b>Name of Course</b>	Executive Diploma in Finance and Accounting (EDFA)
<b>Subject Code</b>	EDFA5013
<b>Subject Name</b>	Business Finance (BF)
<b>Pre-Requisite</b>	NIL
<b>Exam Format</b>	4 Compulsory Questions, 3 hours duration

### **Objectives**

This subject will provide candidates the opportunity to gain knowledge of Finance. The syllabus include the nature and scope of financial strategy, capital investment, DCF methods of investment appraisal, project appraisal, sources of finance, financing options, capital markets, working capital management and Islamic finance

### **Course Outlines**

#### **1) Explore The Nature and Scope of Financial Strategy**

Financial management & financial strategy, financial objectives of private sector companies, typical stakeholders in a company, non-financial objectives, and objectives of not-for-profit organisation and role of the finance function in financial strategy.

#### **2) Explore the Capital Investment Process & Tools**

Investment decisions, steps in project appraisal, methods of project appraisal, non-financial factors in a capital investment decision, the accounting rate of return (ARR) method, the payback method and the payback & ARR methods in practice.

#### **3) Understand DCF methods of investment appraisal**

Investment appraisal & cashflows, time value of money, discounted cash flow, net present value method of project appraisal, discounted payback, internal rate of return method of project appraisal, NPA & IRR comparison, the NPV method & shareholder wealth creation, asset replacement decisions, investment appraisal and allowing for inflation & taxation.

#### **4) Explore Sensitivity Analysis & Capital Rationing for Project Appraisal**

Definition & sources of risk & uncertainty, uncertainty & sensitivity analysis, risk & scenario analysis, causes of a shortage of capital, single period capital rationing and profitability index.

#### **5) Explore Share Capital as Source of Finance**

The need for finance, ordinary shares (equity), obtaining a listing, offer for sale & offer for subscription, placing, intermediaries offer, stock market, new issues of shares by quoted companies, rights issue, the timing of new equity issues, other methods of issuing shares, scrip dividends, scrip issues, stock splits, repurchase of shares and preference shares.

**6) Explore alternative sources of finance**

Long-term and short-term finance, loan stock or bonds, the market value of bonds, types of bonds, convertibles, bonds with share warrants attached, bank finance, leasing & hire purchase, invoice discounting, debt factoring, bills of exchange, bankers' acceptance (BA) credit facility, finance & the small business, fixed versus floating rate of interest, internally-generated funds and Islamic finance.

**7) Explore financing options available**

Capital structure & sources of finance, using the financial forecasts, financial ratios for assessing capital structure, the effect of gearing on earnings, factors influencing the choice of financing methods, short-term financing & capital structure, working capital ratios, funding the investment in current assets and overtrading.

**8) Explore the components of capital markets**

The nature & purpose of stock exchanges, stock exchanges & stock markets, secondary market, obtaining a listing, international capital markets, stock market ratios, venture capital, share prices & market efficiency, different forms of efficiency (weak form, semi-strong form, strong form efficiency) and the efficient market hypothesis & its implications.

**9) Understand the working capital management issues**

The nature & scope of working capital management, working capital ratios, working capital needs of different businesses, working capital & cash flow, working capital requirement, management of receivables, assessing creditworthiness, debt collection policies & procedures, inventory management, bulk purchase discounts, management of cash, potential cash flow problems, monthly statements of cash flows & forecasts, banking procedures & cash management, managing a bank overdraft, investing surplus cash and taking early settlement discount.

<b>Recommended Reading List and Support Material Reading List</b>			
<b>Title</b>	<b>Author(s)</b>	<b>Publisher</b>	<b>ISBN Code</b>
Business Finance Theory and Practice 9th edition	Eddie McLaney	Prentice Hall	978-0-273-75045-1
International Financial Management	Jeff Madura, Roland Fox	RR Donnelley	978-1-4080-3229-9
Financial Markets and Institutions 5th edition	Peter Howells, Keith Bain	Pearson Education	978-0-273-70919-0

<b>Name of Course</b>	Executive Diploma in Finance and Accounting (EDFA)
<b>Subject Code</b>	EDFA5014
<b>Subject Name</b>	Business Ethics (BE)
<b>Pre-Requisite</b>	NIL
<b>Exam Format</b>	4 Compulsory Questions, 3 hours duration

### **Objectives**

- understand business ethics as well as its application in business
- apply the knowledge obtained from this course in a business management application

### **Course Outlines**

#### **1) Ethics in the World of Business**

- Introduction of Ethics
- Business Decision Making
- Ethics, Economics and Law
- Ethics and Management
- Morality, Ethics and Ethical Theory

#### **2) Trade Secrets and Conflict of Interest**

- Introduction
- Definition of Trade Secrets
- The Arguments for Trade Secret Protection
- Competitor Intelligence Gathering
- Conflict of Interest
- Managing Conflict of Interest

#### **3) Privacy**

- Introduction
- Challenges to Privacy
- The Concept of Privacy
- The Value of Privacy
- The Privacy of Employees Records
- The Privacy on the Internet

#### **4) Discrimination and Affirmative Action**

- Introduction
- What is Discrimination
- Ethical Arguments against Discrimination
- Avoiding Discrimination
- Affirmative Action



## 5) Unjust Dismissal

- Introduction
- Property Rights and Employment at Will
- Property Rights and Democracy
- The Freedom of Contract Argument
- Protecting against Unjust Dismissal

## 6) Marketing, Advertising and Product Safety

- Introduction of Ethics
- Ethical Issues in Marketing
- Advertising
- Product Liability

## 7) Ethics in Finance

- Introduction
- Financial Services
- Financial Markets
- Insider Trading
- Hostile Takeovers

## 8) Ethics and Corporations

- Introduction
- Corporate Social Responsibility (CSR)
- Corporate Governance
- Corporate Ethics Programs

## 9) International Business Ethics

- Introduction
- What to do in Rome
- Wages and Working Conditions
- Foreign Bribery
- Cultural Differences

<b>Recommended Reading List and Support Material Reading List</b>			
<b>Title</b>	<b>Author(s)</b>	<b>Publisher</b>	<b>ISBN Code</b>
Code of ethics for Professional Accountants	Jan Munro	International Federation of Accountants	1 931949 45 X
Professional Ethics Tutorial	Jo Osborne	Osborne	978 1905777 34 1
Professional Ethics in Accounting	Jo Osborne	Osborne	978 1905777 49 5

<b>Name of Course</b>	Executive Diploma in Finance and Accounting (EDFA)
<b>Subject Code</b>	EDFA5015
<b>Subject Name</b>	Employability Skills (ES)
<b>Pre-Requisite</b>	Nil
<b>Exam Format</b>	Practical Assignment

### **Objectives**

- Provide candidates with the knowledge, understanding and skills necessary to prepare for Curriculum Vitae
- Provide candidates with the knowledge, understanding and skills necessary to prepare for Job Interview
- Help candidates to develop and enhance the essential skills and techniques required in the working environment
- Provide the opportunities for candidates to develop a range of personal qualities and attitudes essential for successful performance in the workplace.

### **Course Outlines**

#### **1) Job Matching**

- Sources of Jobs
- Fair Employment Practice
- Understanding the Job Requirement
- Other factors to consider

#### **2) Curriculum Vitae (CV)**

- Introduction of Curriculum Vitae
- Structure of Curriculum Vitae
- How to custom the Curriculum Vitae to suit the Job offers
- Tips to write a Good Curriculum Vitae
- Introduction of Cover Letter
- Structure of Cover Letter
- Tips to write a Good Cover Letter

#### **3) Successful Job Interview**

- What to prepare before Job Interview
- How to answer the Interview Questions
- What questions to ask during Interview
- Dressing
- Skills during Interview
- Understanding of Body language

#### 4) Personal Work Efficiency

- Job Descriptions
- Company Policies , Procedures and Practices
- Working with others
- Interpersonal Skills
- Time Management
- Work Planning
- Planning Aids
- Managing Resources

<b>Recommended Reading List and Support Material Reading List</b>			
<b>Title</b>	<b>Author(s)</b>	<b>Publisher</b>	<b>ISBN Code</b>
Employability Skills	David W. G. Hind Stuart Moss	Business Education Publishers Ltd.	978 1901888409

<b>Name of Course</b>	Executive Diploma in Finance and Accounting (EDFA)
<b>Subject Code</b>	EDFA5016
<b>Subject Name</b>	Auditing (AD)
<b>Pre-Requisite</b>	NIL
<b>Exam Format</b>	40 Multiple-Choice Questions, 3 hours duration

### **Objectives**

This subject will be able the candidates learn on how to manage audit assignment effectively. Moreover, professional level skills of audit-report will be developed throughout the subject.

#### **1) Understand the Principles and Responsibilities of External Audit**

Audit of historical financial information, objectives of the independent auditor, ISA 200, Overall Objectives of an Independent Auditor and Conduct of an Audit in Accordance with International Standards on Auditing (ISA), ethical requirements relating to the audit of financial statements, qualities of an independent auditor, professional scepticism, professional judgement, code of ethics for professional accountants, integrity, objectivity, professional competence and due care; confidentiality; and professional behaviour, sufficient appropriate audit evidence, audit risk, terms of engagement of audit, acceptance of a change in terms of audit engagement, audit engagement letter, form and content of an audit engagement letter, audit documentation, nature and purpose of audit document, concepts of 'working papers' or 'workpapers', audit file, experienced auditor, characteristics of fraud, professional scepticism, Risks of material misstatement due to fraud, obtaining the understanding of an entity and its environment in accordance with ISA 315, reporting of identified or suspected non-compliance.

#### **2) Assess Risk of Audit of Financial Statements**

Audit planning, preliminary engagement activities, role and timing of planning, involvement of key engagement team members during planning of audit engagement, planning activities of audit to financial statements. considerations in establishing the overall audit strategy, identifying and assessing the risks of material misstatement through understanding the entity and its environment, risk assessment procedures and related activities, risk assessment procedures and related parties, conditions and events that may indicate risks of material misstatement, determining materiality and performance materiality when planning the audit, materiality and audit risk, ISA 320, Materiality in Planning and Performing an Audit, ISA 330, The Auditor's Responses to Assessed Risks, ISA 450, Evaluation of Misstatements Identified during the Audit

### 3) **Review of Audit Evidence**

Appropriate audit evidence, ISA 500, Audit Evidence, ISA 501, Audit Evidence-Specific Considerations for Selected Items, information to be used as audit evidence, audit procedures for obtaining audit evidence, ISA 505, External Confirmations, ISA 510, Initial Audit Engagements-Opening Balances, ISA 520, Analytical Procedures, ISA 530, Audit Sampling, ISA 540, Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures, ISA 550, Related Parties, ISA 560, Subsequent Events, ISA 570, Going Concern, ISA 580, Written Representations, Application of going concern assumption, responsibility for assessment of the entity's ability to continue as a Going Concern, risk assessment procedures and related activities, additional audit procedures when events or conditions are identified, conclusion of audit under the going concern assumption, use of going concern assumption appropriate but a material uncertainty exists, use of going concern assumption inappropriate, management unwilling to make or extend its assessment, communication with those charged with governance events or conditions that may cast doubt about going concern assumption, additional audit procedures when events or conditions are identified, audit reporting when disclosure of material uncertainty is adequate, ISA 580 written representations, written representations as audit evidence, doubt as to the reliability of written representations and requested written representations not provided, written representations about management's responsibilities, date of and period(s) covered by written representations, form of written representations, doubt as to the reliability of written representations and requested written representations not provided.

### 4) **Analyse the Work of Internal Auditors and Auditors Expert**

Using the work of internal auditors, relationship between internal audit function and external auditor, objectives of internal audit function, determining whether and to what extent to use the work of the internal auditors, using specific work of internal auditors, ISA 620 using the work of an auditor's expertise, determining the need for an auditor's expert, nature, timing and extent of audit procedures, the competence, capabilities and objectivity of the auditor's expertise, obtaining an understanding of the field of expertise of the auditor's expertise, agreement with the auditor's expertise, evaluating the adequacy of the auditor's expertise work, determining the need for an auditor's expert, nature, timing and extent of audit procedures, the competence, capabilities and objectivity of the auditor's expert, obtaining an understanding of the field of expertise of the auditor, agreement with the auditor's expertise, evaluating the adequacy of an auditor's expertise work.

### 5) **Prepare and Review Audit Report**

ISA 700 Forming an Opinion and Reporting on Financial Statements, scope of ISA 700, concept of fair presentation framework, forming an opinion on financial statements, form of opinion, auditor's report, components of audit report, auditor's report prescribed by law or regulation, supplementary information presented with the financial statements, description of the applicable financial reporting framework

**Recommended Reading List and Support Material Reading List**

<b>Title</b>	<b>Author(s)</b>	<b>Publisher</b>	<b>ISBN Code</b>
A Students Guide to Auditing	Alan Lewin	Kaplan	978-0-857-32203-6
Auditing	Alan Millichamp	Thomson	13-9780-82645 5000
Principles of External Auditing	Porter, Simon & Hatherly	Wiley	0470 84297 0

<b>Name of Course</b>	Executive Diploma in Finance and Accounting (EDFA)
<b>Subject Code</b>	EDFA5017
<b>Subject Name</b>	Business Law
<b>Pre-Requisite</b>	NIL
<b>Exam Format</b>	4 Compulsory Questions, 3 hours duration

### **Objectives**

This subject are enable candidates to develop a broad understanding of the legal implications of problems and situations commonly faced in business, the ability to apply legal principles to the solution, as well as an understanding of the law regulating professional practice.

### **1) Outline of the Malaysia Legal System**

- Explain the hierarchy of courts
- Understand why the system of courts is hierarchical
- Explain the jurisdiction of the courts within the hierarchical structure
- Identify the types of legal personnel and explain their roles
- Explain the legislative process and sources of legislation
- Understand the reasons behind and the effect of delegated legislation
- Explain the different types of delegated legislation and how they are passed
- Explain the role and functions of the courts with regard to statutory interpretation
- Explain the doctrine of precedent - sfare *decisis*. Distinguish between binding and persuasive precedents
- Understand the extent to which courts in the hierarchical structure are able to set precedents
- Explain the different situations in which a precedent can be set e.g. overruling/reversing
- Distinguish between the advantages and disadvantages of precedent as a system/method of law making
- Understand the basic principles of common law and equity
- Explain the distinctions between common law and equity
- Understand the distinction between civil and criminal law

## 2) Contract

- Explain and apply legal rules concerning offer
- Understand the various ways in which an offer may be terminated e.g. by revocation or counter offer
- Explain and apply legal rules concerning acceptance (e.g. generally acceptance of an offer must be communicated)
- Define consideration and distinguish between executory, executed and past consideration
- Explain and apply legal rules concerning consideration e.g. performance of an existing contractual duty; part payment of debts; third party relationships
- Demonstrate an understanding of and ability to apply the defence of promissory estoppel
- Explain the 2 presumptions concerning intention to create legal relations i.e., social/domestic agreements, compare and contrast with commercial agreements
- Understand when the law might be willing to rebut either of the 2 presumptions mentioned
- Distinguish between express and implied terms and conditions and warranties
- Explain and apply legal rules concerning contract terms
- Understand the relevant legal rules relating to exclusion clauses. Reference to case law and statute required i.e. the common law rules concerning incorporation of an exclusion clause into a contract, and the Unfair Contract Terms Act 1977
- Understand the possible effects upon an agreement of certain vitiating factors
- Define a misrepresentation
- Distinguish between fraudulent, negligent and innocent misrepresentations. Compare the effects of a negligent misrepresentation with those of a negligent mis-statement
- Compare and contrast the remedies available for fraudulent, negligent and innocent misrepresentations. Reference to statute law required i.e. Misrepresentation Act 1967
- Understand that if an agreement is affected by an operative mistake there is no contract i.e. that the agreement is void. Compare and contrast with the position re-misrepresentation
- Distinguish between the various methods by which a contract can be discharged i.e. by agreement, by performance, by frustration, by breach
- Explain and apply the legal rules concerning the 4 methods of discharge
- Understand and be able to distinguish between the remedies available to a successful plaintiff in an action for breach of contract i.e. specific performance, injunction, rescission, damages
- Explain and apply the legal rules concerning remedies for breach of contract
- Understand, in the context of a claim for damages, the concepts of remoteness of damage and measure of damages



### 3) Tort of Negligence

- Understand the nature and forms of liability in the law of tort
- Distinguish between the law of contract and the tort of negligence
- Explain that in order to establish negligence the plaintiff must satisfy 3 criteria i.e.:
  - duty of care
  - breach of duty
  - damage
- Explain and apply the legal rules concerning duty of care. Of particular importance are the various legal tests for a duty of care. Close attention should be paid to areas such as:
  - pure economic loss
  - nervous shock
  - negligent mis-statement
- Explain and apply the legal rules concerning breach of duty e.g. standard of care is that required of the reasonable man
- Understand the factors which can be taken into account by a court in order to ascertain whether or not the defendant reached the standard of care expected of the reasonable man ie. magnitude of foreseeable risk; practicability of precautions to eliminate the risk
- Explain and apply the legal rules concerning damage, i.e.
  - causation in fact
  - remoteness of damage
- Distinguish between the defences to a claim in the tort of negligence ie.
  - contributory negligence
  - volenti non fit injuria (consent)
- Explain and apply the rules of law concerning the defences
- Understand the meaning and scope of vicarious liability and its relevance to the tort of negligence

#### 4) Agency

- Explain the nature of the agency relationship and how the relationship may be created i.e. through agreement, express or implied, by ratification, by virtue of necessity
- Explain and apply the principles relating to the authority that may be conferred on an agent namely:
  - express authority
  - implied authority
  - ostensible authority
  - authority by way of ratification
  - authority by virtue of necessity
- Explain the general rule that an agent is neither liable nor able to sue on the contract
- Understand the exceptions to the rule namely:
  - contracts made under deed
  - where the agent acts on behalf of a non-existent principal (NB Section 36c Companies Act 1985)
  - where the agent acts on behalf of an undisclosed principal
  - where an agent assumes liability under the contract
  - where the terms of the contract are inconsistent with the existence of an agency
  - liability of an agent in tort for breach of warranty of authority
- Explain that if the agent has acted with authority that the relationship is a contractual one
- Explain and apply the principles relating to the duties owed by an agent to his principal by virtue of both the contractual and fiduciary relationship namely:
  - duty to obey instructions
  - duty to exercise care and skill
  - duty to act
  - duty not to delegate
  - fiduciary duty - duty not to place
  - himself in a position where his duty
  - and personal interest conflict
  - duty not to make a secret profit or
  - take a bribe
- Explain the duties owed by principal to his agent namely:
  - duty to pay remuneration
  - duty to indemnify agent in respect of expenses incurred

## 5) Partnership

- Explain the nature of a partnership and the requirements that flow from the definition of a partnership including the provisions of Section 2 Partnership Act 1890
- Explain the liability of partners and former partners to third parties in terms of the provisions of the Partnership Act and agency principles.
- Explain that the rights and duties flow from both the contractual relationship and the fiduciary relationship
- In terms of the contractual relationship, explain the desirability of having a written agreement and the role of the statutory implied terms contained in Sections 24 and 25
- In terms of the fiduciary relationship understand the general equitable principles and the provisions of Sections 28, 29 and 30
- Explain how a partnership may be dissolved and how it may be terminated by the partners

<b>Recommended Reading List and Support Material Reading List</b>			
<b>Title</b>	<b>Author(s)</b>	<b>Publisher</b>	<b>EBN Code</b>
Law for Business Students	Adams, A	Pitman	0 273 60707 3
Smith and Keenan's Advanced Business Law	Keenan, D	Pitman	0 273 62705 8
Learning the Law	Williams, G	Stevens	0 420 46300 3

<b>Name of Course</b>	Executive Diploma in Finance and Accounting (EDFA)
<b>Subject Code</b>	EDFA5018
<b>Subject Name</b>	Company Law (CL)
<b>Pre-Requisite</b>	NIL
<b>Exam Format</b>	4 Compulsory Questions, 3 hours duration

## **Objectives**

This subject conveys knowledge in company law with a special emphasis on companies with limited liability. This knowledge will enable students to assess the advantages and risks of the different legal structures that are available for the organization of economic activities. Economic interests and legal rights of the various stakeholders of a company will become transparent.

### **1) Legal Personality and its Consequences**

- Understand the principle of separate legal personality and its consequences, and the circumstances in which statute and the judiciary will ignore the separate legal personality of a company
- Compare the company, the partnership and the sole tradership as mediums through which to conduct a business

### **2) Formation of Companies**

- Explain the methods of incorporation and the procedure for registration and re-registration
- Explain the legal effect of the certificate of incorporation
- Explain the types of company that may be formed
- Explain the commencement of trading requirements for Public Limited Companies

### **3) Promoters and Pre-Incorporation Contracts**

- Understand the fiduciary position of a promoter and the associated duty
- Understand the consequences of the entry into a pre-incorporation contract; novation

### **4) The Memorandum and Articles of Association**

- Explain the clauses required to be contained in the Memorandum and procedures involved in their alteration
- Explain the restrictions on the company's choice of name
- Explain how the contractual capacity of a company is determined by its objects clause
- Understand the doctrine of *ultra vires* and its consequences
- Understand the contractual effect of the Memorandum and Articles and the associated case law
- Explain the procedure for alteration of the Articles of Association and understand the restrictions placed on the ability to alter the articles by statute and case law

## 5) Shares - Types, Issue and Transfer

- Explain the nature of a share, the classes of share, the rights attaching, preference shares and the procedures and constraints involved in their variation
- Explain and apply the statutory requirements in relation to an issue of shares and the fiduciary duty of the directors in this respect
- Explain the procedure for the transfer of shares in a private limited company including certification

## 6) The Doctrine of of Capital

- Understand the doctrine of **Maintenance** maintenance of capital and its purpose
- Understand how the purchase or redemption by a company of its own shares under the terms of Sections 159-170 Companies Act 1985 does not breach this doctrine, and explain the requisite procedures
- Understand the rules governing the profits available for distribution by a private limited company; declaration of dividends

## 7) Loan Capital and Charges

- Understand the nature of a debenture
- Understand the characteristics of fixed and floating charges
- Explain the disadvantages of floating charges as far as lenders are concerned
- Explain the provisions relating to the registration of charges

## 8) Directors

- Explain the procedures and requirements for the appointment and removal of directors
- Understand the requirements regarding directors' service contracts
- Understand the delegation of power to manage the company to the directors and the consequences to the company where the directors exceed their powers
- Understand the duties owed by directors to the company at common law, equity and under statute

## 9) Minority Protection

- Understand the rule in Foss v Harbottle and the exceptions to the rule together with the associated case law
- Explain the provisions of Section 459 Companies Act 1985 and Section 122(i)(g) Insolvency Act 1986

## 10) Meetings

- Explain the types of meeting and the types of resolution that may be passed, including elective and written resolutions

## 11) Frisolvency Procedures

- Explain and distinguish the purposes of:
  - Receivership/Administration
  - Receivership
  - Administration
  - Liquidation

<b>Recommended Reading List and Support Material Reading List</b>			
<b>Title</b>	<b>Author(s)</b>	<b>Publisher</b>	<b>EBN Code</b>
Law for Business Students	Adams, A	Pitman	0 273 60707 3
Smith and Keenan's Advanced Business Law	Keenan, D	Pitman	0 273 62705 8
Learning the Law	Williams, G	Stevens	0 420 46300 3