SINGAPORE CA QUALIFICATION
Syllabus Handbook
2017-2018
The Singapore Accountancy Commission

On 1 April 2013, the Singapore Accountancy Commission (SAC) was formally established as a statutory body of the Singapore government. It was tasked to achieve a number of far-reaching objectives, spelled out by the 10 recommendations in the Committee to Develop the Accountancy Sector report. One recommendation was the launch of a globally recognised qualification, the Chartered Accountant of Singapore, also known as CA (Singapore).

The Singapore CA Qualification (formerly known as the Singapore QP) is one of the key initiatives in the SAC’s drive to transform Singapore into a leading global accountancy hub for the Asia-Pacific region by 2020.

Designed to maximise the opportunities for those seeking global recognition and international portability, the Singapore CA Qualification is based on programmes offered by leading professional accountancy bodies in established jurisdictions such as Australia, Hong Kong, New Zealand and the United Kingdom.

Lending further distinction to the Singapore CA Qualification is the incorporation of professional accountancy requirements of the Asia Pacific region, taking into account the diverse socio-economic and regulatory profiles of countries in the region. The Singapore CA Qualification also meets international education standards issued by the International Accounting Education Standards Board of the International Federation of Accountants.

About Institute of Singapore Chartered Accountants

The Institute of Singapore Chartered Accountants (ISCA) is the Administrator of the Singapore CA Qualification and the Designated Entity to confer the Chartered Accountant of Singapore or CA (Singapore) designation.

Singapore CA Qualification Candidates have to apply with ISCA as a Full Member upon completion of the programme before they can be conferred the CA (Singapore) title. In this regard, the SAC works closely with ISCA to develop strong and robust accountancy talent, in particular CAs (Singapore), to help transform Singapore into a leading global accountancy hub.

Established in 1963, ISCA is the national accountancy body of Singapore and has over 30,000 ISCA members making their mark across various industries in Singapore and around the world. In 2015, it became an Associate of Chartered Accountants Worldwide – supporting, developing and promoting over 620,000 Chartered Accountants in more than 200 countries around the world.
SINGAPORE CA QUALIFICATION PATHWAY

PROFESSIONAL PROGRAMME MODULES

- EP
- FR
- AS
- TX
- BG
- IB

PRACTICAL EXPERIENCE

PRO BONO WORK

SINGAPORE CA QUALIFICATION

FOUNDATION PROGRAMME MODULES

- PFF
- TXF
- AFF
- ASF
- FMF
- ADF

SINGAPORE CA QUALIFICATION (FOUNDATION)

DIRECT ENTRY DEGREE

ENTRY POINT 1

ACCREDED DEGREE

ENTRY POINT 2

or

NON-ACCRITED DEGREE

ENTRY POINT 3

or

LOCAL POLYTECHNIC DIPLOMA IN ACCOUNTANCY

ENTRY POINT 4
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ETHICS AND PROFESSIONALISM

2017-2018
The Ethics and Professionalism (EP) module guides Candidates in the value, ethics, and attitudes that an aspiring Professional Accountant needs in order to begin their journey to become a Chartered Accountant of Singapore. The EP module also provides a foundation for developing an independent mindset to compare and question different ethical perspectives; skills that will be further developed and integrated into the other modules in the Professional Programme. In particular, the EP module is designed to:

- Guide Candidates in what it means to work professionally and ethically as a Chartered Accountant of Singapore;
- Encourage Candidates to explore their own ethical beliefs and personal values; and
- Introduce Candidates to a common framework for ethical decision-making.

**PROGRESSION**

All Singapore CA Qualification Candidates must successfully complete the EP module prior to enrolment into any of the technical modules. This module is mandatory and no exemptions will be granted.

**MODULE DELIVERY**

The EP module is delivered via an interactive online platform following an asynchronous self-paced learning schedule. The learning materials include audio and text-based content, as well as interactive quizzes and activities to complete, with checks in place to ensure that each Candidate completes the module with integrity, honesty, and to the best of their ability. As the EP module is a self-paced learning journey, there is no time limit to complete. However, once a Candidate has successfully completed the EP module, their Completion Certificate will remain valid for 12 months from the date of the certificate.

**ASSESSMENT**

The EP module is assessed via a Personal Integrity Quiz. Candidates must actively work through each section in the order presented and achieve at least 86% in the Personal Integrity Quiz to complete the EP module successfully. Eighty-six per cent equates to a High Distinction in the Singapore CA Qualification and reflects the great importance placed on ethics and professionalism by the accounting profession and the community as a whole.

**COGNITIVE LEVELS**

The EP module does not include cognitive levels in the same way as the Singapore CA Qualification technical modules, as the learning outcomes required for this module are not described in terms of intellectual depth.
LEARNING OUTCOMES
PROFESSIONAL ETHICS, VALUES, AND JUDGMENT

Role of a Chartered Accountant

**EXPLAIN** the professional values, ethics, and attitudes that identify Chartered Accountants as members of a profession.

**EXPLAIN** the legal and ethical expectations of a Chartered Accountant of Singapore.

**OUTLINE** the role of the authorities (such as the Accounting and Corporate Regulatory Authority) in ethical and related business matters.

**DEMONSTRATE** familiarity with the Code of Professional Conduct and Ethics and the applicability to a Chartered Accountant of Singapore.

**EXPLAIN** what is meant by the ‘Public Interest’ and its relevance to the work of Chartered Accountants.

The Ethical Framework

**DEMONSTRATE** an ability to make ethical decisions using an ethical framework.

**APPLY** an ethical decision making framework to ethical dilemmas.

**COMPARE** the rules-based approach with the principles-based approach to regulation and professional codes of conduct and ethics.

**EXPLAIN** the main theories of ethics based on duties, consequences, and virtues, and apply these theories to practical decision-making situations.

**REFLECT** on the principles that underpin moral reasoning.

**OUTLINE** other ethical concepts, models, and theories.

The Ethical Principles

**EXPLAIN** the Fundamental Principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

**EXPLAIN** the safeguards that can be applied to minimise the threats of breaching the Fundamental Principles.

**DEMONSTRATE** the application of ethical principles to business activities, judgment, and policy formulation.

**DEFINE** and **APPLY** independence, scepticism, and accountability.
PERSONAL EFFECTIVENESS

**DEMONSTRATE** an ability to reflect on experiences and situations.

**DESCRIBE** the personal qualities and skills required to work in the accountancy profession, and be able to assess one’s own characteristics in relation to these qualities and skills.

**IDENTIFY** areas for personal development and improvement.

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**Managing Self**

**DEMONSTRATE** personal effectiveness in a changing work environment through:
- Timeliness;
- Accuracy;
- Communication;
- Motivation;
- Flexibility and embracing ambiguity;
- Cooperativeness; and
- Conflict resolution.

**EXPLAIN** the benefits of cooperation, collaboration, and teamwork.

**DESCRIBE** how individual needs can affect motivation in an organisation.

**EXPLAIN** the ways in which conflict can be resolved and use appropriate conflict resolution strategies to achieve given objectives.

**IDENTIFY** common sources of conflicts in the workplace.

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Self-Awareness
FINANCIAL REPORTING
2017-2018
Upon completion of the Financial Reporting module, Candidates will be able to demonstrate knowledge and apply the Singapore Financial Reporting Standards (SFRS) to produce a complete set of financial statements for an entity. They will also be able to explain and advise on the application of the SFRS, demonstrating appropriate professional judgment in the process.

**RECOMMENDED PROGRESSION**

The Ethics and Professionalism module must be completed before enrolment in any technical module. There is no other pre-requisite in the Professional Programme for this module.

**COGNITIVE LEVELS**

This document includes learning outcomes which Candidates are expected to achieve. Each learning outcome is identified with a cognitive level ranging from 1 to 3. The cognitive levels are described below:

1. An ability to communicate sound knowledge and insight in relation to emerging trends, current issues, and regulatory changes, with some practical application.

2. An ability to analyse and apply knowledge to moderately complex scenarios that a Candidate would be likely to encounter in the workplace to derive the best possible outcome.

3. An ability to demonstrate an elevated level of application of knowledge, as well as synthesise and evaluate information in more complex scenarios in order to arrive at value-added solutions.

The cognitive levels give an indication of the intellectual depth which Candidates are expected to achieve.

The technical modules in the Professional Programme are designed at the post-university level and build on knowledge, skills and values achieved during the undergraduate studies. The technical modules are designed to develop higher order skills of application, analysis, synthesis and evaluation. For this reason, there are very few learning outcomes with cognitive level 1.
LEARNING OUTCOMES
FINANCIAL REPORTING FRAMEWORK

**Objectives of Financial Reporting**

**UNDERSTAND** the role of financial reporting in the decision making process of various stakeholders.

**IDENTIFY** stakeholders in the financial reporting process.

**EXPLAIN** general-purpose financial statements to stakeholders.

**IDENTIFY** and **EXPLAIN** the different stakeholders’ roles in public sector financial reporting.

**Standard Setting Process**

**EXPLAIN** the process adopted by the International Accounting Standards Board (IASB) in issuing new accounting standards or amending existing standards.

**EXPLAIN** the mandate of Singapore’s Accounting Standards Council (ASC).

**The Conceptual Framework for Financial Reporting**

**DISCUSS** the use of a Conceptual Framework in the setting of accounting standards.

**APPLY** the principles of the framework to recommend an accounting treatment for a transaction not covered by an extant accounting standard or a proposed new standard.

**IDENTIFY** the relationship between accounting theory and practice.

**Regulatory Requirements**

**EXPLAIN** the additional reporting requirements for entities listed on the Singapore Exchange insofar as these go beyond compliance with SFRS.

**RECOGNISE** and **APPLY** the legal requirements of Companies Act Cap 50 relating to the preparation of statutory financial statements of an entity, including the circumstances where an entity is required to prepare and present statutory financial statements.

**EXPLAIN** the filing requirements for all entities in Singapore other than the requirements to file tax returns.

**The International Context**

**UNDERSTAND** the issues relating to the convergence/non-convergence of accounting standards.

**APPRECIATE** the key differences between IFRS and domestic accounting standards in Asia.

**Reporting and Disclosure**

**EXPLAIN** and assess the general principles of disclosure and communication with shareholders.

**EXPLAIN** and **ANALYSE** ‘best practice’ corporate governance disclosures.

**EXPLAIN** and **ANALYSE** the purposes of the annual general meeting and extraordinary general meetings for information exchange between the board of directors and shareholders.
PROFESSIONAL ETHICS IN FINANCIAL REPORTING

Compliance and Ethics in Financial Reporting

- **ASSESS** the relevance and importance of ethical and professional issues in complying with accounting standards.
- **APPRAISE** the potential ethical implications of professional and managerial decisions in the preparation of financial reports.
- **APPRAISE, DISCUSS** and **RECOMMEND** an appropriate course of action arising from ethical dilemmas in financial reporting.
- **ASSESS** the consequences of not upholding ethical principles in the preparation of financial reports.

RECOGNITION AND MEASUREMENT OF ASSETS

Measurement and Reporting

- **APPLY, EXPLAIN** and **EVALUATE** accounting standards for major classes of assets, insofar as they affect initial recognition, measurement (including initial measurement and subsequent re-measurement), classification and disclosure, and de-recognition from an entity’s statement of financial position.
- **EVALUATE** the measurement bases adopted by accounting standard setters and explain different methods of measurement used for major classes of assets.

Impairment of Assets

- **APPLY, EXPLAIN** or **EVALUATE** the circumstances in which an impairment test of assets is necessary.
- **CALCULATE, EXPLAIN** and **EVALUATE** the adequacy of an impairment test for all classes of assets under the relevant accounting standard appropriate to that class of asset.
- **EVALUATE** sensitivity of an impairment analysis to the exercise of professional judgment, use of assumptions and critical estimates.
- **IDENTIFY** and **EXPLAIN** a cash-generating unit and explain the need for impairment testing to be done at the smallest cash-generating unit level.
- **ALLOCATE** impairment losses for a cash-generating unit.

Specific Applications

- **APPLY** the relevant accounting treatment on the following classes of assets:
  - Construction contracts;
  - Inventory;
  - Property, plant and equipment;
  - Investment property;
  - Goodwill and other intangible assets; and
  - Assets held for sale.
RECOGNITION AND MEASUREMENT OF LIABILITIES

Measurement and Reporting

3 APPLY, EXPLAIN and EVALUATE accounting standards for major classes of liabilities, insofar as they affect initial recognition, measurement (including initial measurement and subsequent re-measurement), classification and disclosure, and de-recognition from an entity’s statement of financial position.

3 EVALUATE the measurement bases adopted by accounting standard setters and explain different methods of measurement used for major classes of liabilities.

Specific Applications

3 APPLY the relevant accounting treatment on the following classes of liabilities:
- Leases and contracts with the characteristics of leases;
- Income tax;
- Provisions and contingencies; and
- Employee benefits.

RECOGNITION OF REVENUE AND EXPENSES

Revenue Recognition

3 APPLY and EXPLAIN the rules for income recognition and deferral, including:
- Combination of contracts;
- Unbundling of physical and service elements; and
- Deferred, variable and contingent consideration.

Share-Based Payment Transactions and Arrangements

3 APPLY and discuss the recognition and measurement criteria for share-based payment transactions and arrangements.

2 ACCOUNT for modifications, cancellations and settlements of share-based payment transactions and arrangements.

FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Principles of Financial Instruments Reporting

3 APPLY, DISCUSS and EXPLAIN the recognition and de-recognition of financial assets and financial liabilities.

3 APPLY, DISCUSS and EXPLAIN the classification of financial assets and financial liabilities and their measurement and disclosure.

3 APPLY, DISCUSS and EXPLAIN the treatment of gains and losses arising from financial assets and financial liabilities.

3 APPLY, DISCUSS and EXPLAIN the treatment of impairment of financial assets.

Derivatives and Hedging

2 ACCOUNT for derivative financial instruments and simple embedded derivatives.

2 OUTLINE the principles of hedge accounting and account for fair value hedges and cash flow hedges including hedge effectiveness.

2 EXPLAIN the importance of documentation of purported hedging transactions for the purposes of applying hedge accounting.
**Earnings per Share**

- APPLY and EXPLAIN the rules for reporting basic and diluted earnings per share, including where multiple potential ordinary shares are in existence.
- APPLY and EXPLAIN the rules for disclosure of alternative measures of earnings per share.

**Foreign Currency Transactions**

- APPLY and EXPLAIN the rules for determination of an entity’s functional currency.
- APPLY the rules for recording and reporting foreign currency transactions for a single entity, other than for hedging transactions.

**Operating Segment**

- DETERMINE the nature and extent of reportable operating segments.
- SPECIFY and DISCUSS the nature of operating segment information to be disclosed.

**Events After the Reporting Date**

- APPLY and EXPLAIN the accounting and disclosure for events after the reporting date.
- DETERMINE and REPORT going concern issues arising after the reporting date.

**Related Parties**

- IDENTIFY the parties considered to be related to an entity.
- IDENTIFY the implications of related party transactions and the need for disclosure.

**Interim Reporting**

- OUTLINE the interim reporting requirements under the applicable accounting standards.

**Equity and Other Comprehensive Income**

- APPLY the accounting, disclosure and presentation requirements for equity and other comprehensive income components.
IDENTIFY and OUTLINE:
• The circumstances in which a group is required to prepare consolidated financial statements; and
• The circumstances when a group may claim an exemption from the preparation of consolidated financial statements.

APPLY and DISCUSS the criteria used to distinguish between a subsidiary and an associate.

APPLY the method of accounting for business combinations including the accounting for non-controlling interests.

APPLY the principles in determining the fair value of consideration transferred.

APPLY the recognition and measurement criteria for identifiable acquired assets and liabilities and goodwill including situations where business combinations are achieved in stages.

DETERMINE and APPLY appropriate consolidation procedures to be used in preparing group financial statements, including statements of cash flows.

APPLY the equity method of accounting for associates.

OUTLINE and APPLY the key definitions and accounting methods which relate to interests in joint arrangements.

PREPARE group financial statements where activities have been discontinued or have been acquired or disposed of in the period.

APPLY and DISCUSS the treatment of a subsidiary which has been acquired exclusively with a view for subsequent disposal.

OUTLINE and APPLY the translation of foreign operations into the group’s presentation currency.

ACCOUNT for the consolidation of foreign operations and their disposal.

DEMONSTRATE an understanding of other financial reporting frameworks such as:
• SMEs;
• Statutory Boards;
• Charities; and
• Cash Basis of Accounting.

DEMONSTRATE awareness of both domestic and international current developments.
Upon completion of the Assurance Module, Candidates will be able to analyse, exercise judgment, evaluate and conclude on the assurance engagement and other audit and assurance issues in the context of best practice and current developments in Singapore and internationally. The Module addresses a wide variety of issues that a Chartered Accountant of Singapore may encounter. It develops the Candidates’ understanding of professional and ethical considerations as well as ensuring they have a broad understanding of the regulatory environment in Singapore. The Module covers procedures in practice management, including quality control and the acceptance and retention of professional engagements; the audit of financial statements including planning, managing, evidence and review, as well as other assignments and reporting.

RECOMMENDED PROGRESSION

The Ethics and Professionalism module must be completed before enrolment in any technical module in the Professional Programme. It is recommended (but not required) that Candidates complete the Financial Reporting module before attempting this module.

COGNITIVE LEVELS

This document includes learning outcomes which Candidates are expected to achieve. Each learning outcome is identified with a cognitive level ranging from 1 to 3. The cognitive levels are described below:

1. An ability to communicate sound knowledge and insight in relation to emerging trends, current issues, and regulatory changes, with some practical application.

2. An ability to analyse and apply knowledge to moderately complex scenarios that a Candidate would be likely to encounter in the workplace to derive the best possible outcome.

3. An ability to demonstrate an elevated level of application of knowledge, as well as synthesise and evaluate information in more complex scenarios in order to arrive at value-added solutions.

The cognitive levels give an indication of the intellectual depth which Candidates are expected to achieve.

The technical modules in the Professional Programme are designed at post-university level and build on knowledge, skills and values achieved during the undergraduate studies. The technical modules are designed to develop higher order skills of application, analysis, synthesis and evaluation. For this reason, there are very few learning outcomes with cognitive level 1.
LEARNING OUTCOMES
LEGAL AND PROFESSIONAL FRAMEWORK

Regulatory Frameworks For Audit And Assurance Services

EXPLAIN the need for laws, regulations, standards and other guidance relating to audit, assurance and related services in Singapore and how they align with international regulatory frameworks, such as those issued by the International Auditing and Assurance Standards Board (IAASB).

OUTLINE and EXPLAIN the need for the legal and professional framework including:
- Public oversight of an audit and assurance practice; and
- The role of audit committees and the impact on audit and assurance practice.

Laws and Regulations

COMPARE and CONTRAST the respective responsibilities of directors, management and auditors concerning compliance with laws and regulations in an audit of financial statements.

DESCRIBE the auditor’s considerations of compliance with laws and regulations and plan audit procedures when possible non-compliance is discovered.

EXPLAIN how, why, when and to whom non-compliance should be reported and the circumstances in which an auditor should withdraw from an engagement.

Anti-money laundering and terrorism financing

EXPLAIN the scope of ‘money laundering and terrorism financing’ and the related obligations of a Chartered Accountant of Singapore.

EXPLAIN national Singaporean and international efforts to combat money laundering.

CONSIDERATIONS FOR THE PROFESSIONAL ACCOUNTANT

Code Of Professional Conduct And Ethics

EXPLAIN the fundamental principles of the Code of Professional Conduct and Ethics.

RECOGNISE conflicts in the application of fundamental ethical principles.

DISCUSS the importance of auditors’ independence and professional scepticism in planning and performing an audit.

RECOMMEND a suitable course of action for a professional accountant to take upon discovering a breach of professional ethics by themselves or by others.

Fraud And Error

COMPARE and CONTRAST the respective responsibilities of management and auditors relating to fraud and error.

DESCRIBE the matters to be considered and procedures to be carried out in response to risks of misstatements arising from fraud and error.
**Communication**

**RECOGNISE** circumstances in which professional accountants may have legal liability.

**EXPLAIN** the concept of due care in the performance of work and describe the factors to determine whether or not an auditor is negligent in given situations.

**RECOGNISE** the auditor’s liability to clients and third parties, including those in transnational engagements and non-audit engagements.

**EVALUATE** the practicability and effectiveness of ways in which legal liability may be restricted.

**DISCUSS** and **APPRAISE** the principal causes of audit failure and other factors that contribute to the ‘expectation gap’ (e.g. responsibilities for fraud and error).

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**Quality Control**

**EXPLAIN** the principles and purpose of quality control of audits and other assurance engagements under the regulatory framework.

**SELECT** and **JUSTIFY** quality control procedures that are applicable to a given firm and audit engagement.

**ASSESS** whether an engagement has been planned and performed in accordance with professional standards and public oversight requirements.

**DISCUSS** how the provision of non-audit services to audit clients (including auditor initiated audit adjustments arising from audit work) may compromise the independence of the audit process.

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**Appointment and Reappointment of Auditors**

**DISCUSS** the reasons why entities change their statutory auditors professional accountants.

**RECOGNISE** and **EXPLAIN** the factors to be considered when a firm is invited to submit a proposal or fee quote for an audit or other professional engagement.

**IDENTIFY** the information to be included in a proposal.

**EXPLAIN** the matters to be considered and the procedures that an audit firm/ professional accountant should carry out before accepting and/or continuing a specified client/engagement including:
- Client acceptance and continuance;
- Engagement acceptance and continuance;
- Establish whether the preconditions for an audit are present;
- Communicating with the predecessor auditor; and
- Agreeing the terms of engagement.

**RECOGNISE** the key issues that underlie the agreement of the scope and terms of an engagement with a client including the full scope of a statutory audit.

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**Advertising, publicity, obtaining professional work, and fees**

**RECOGNISE** situations in which specified advertisements are acceptable.

**EXPLAIN** the restrictions on practice descriptions and the names of public accounting entities.

**OUTLINE** the determinants of fee setting and justify the basis on which fees and commissions may and may not be charged for services.

**DISCUSS** the ethical and other professional issues, for example, lowballing, involved in establishing and negotiating fees and other types of remuneration for a specified assignment.
PERFORMING THE AUDIT

Evidence

EXPLAIN the matters that are likely to be relevant in determining what constitutes sufficient, appropriate evidence.

EVALUATE whether a given scenario represent sufficient evidence.

EXPLAIN the rules for documentation of audit evidence, using appropriate media and the reasons for those rules.

IDENTIFY and describe audit procedures to obtain sufficient audit evidence from identified sources, e.g. inquiries, inspection, observation and re-performance.

ASSESS whether more cost-efficient methods for obtaining evidence to support an assertion would have been possible in a given scenario.

IDENTIFY and EVALUATE the audit evidence expected to be available to support the assertions about classes of transactions, account balances, and presentation and disclosure.

APPLY analytical procedures as substantive audit procedures using financial and non-financial data.

EXPLAIN the specific audit risks and procedures concerning related parties and related party transactions including significant transactions outside normal business.

RECOGNISE circumstances that may indicate the existence of unidentified related parties and select appropriate audit procedures.

EXPLAIN the use of written management representations to support other audit evidence and the limitations of representations as evidence.

IDENTIFY and EXPLAIN the circumstances in which an auditor is likely to need an expert opinion to obtain sufficient, appropriate evidence on a matter.

EXPLAIN the differences for evidence evaluation between an expert appointed by an auditor and an expert appointed by a client.

EVALUATE the work required to be done when there is the use of an expert including:

- Evaluating the relevance, completeness and accuracy of that source data significant to that expert’s work provided by management;
- Evaluation of the expert’s competence, capabilities and objectivity for the auditor’s purposes;
- Adequacy of the expert’s work; and
- The auditor’s duty to form a concurring opinion with the expert.

Note: in this paragraph, ‘expert’ is used as defined in the Singapore Standards on Auditing.

EXPLAIN materiality and performance materiality and DEMONSTRATE how it should be applied in accordance with professional auditing standards.

IDENTIFY and EXPLAIN the importance of understanding the entity and its environment, including internal controls in risk assessment.

IDENTIFY and EXPLAIN material and significant audit risks (broken into risks of material misstatement and detection risks) for a given assignment.

DISCUSS and APPLY the use of analytical procedures in the planning of an assignment.

EXPLAIN how the result of planning procedures determines the relevant audit strategy.

EXPLAIN the planning procedures specific to an initial audit engagement.

APPLY the further considerations and audit procedures relevant to initial engagements.

EXPLAIN the use of written management representations to support other audit evidence and the limitations of representations as evidence.

EXPLAIN the use of analytical procedures in evaluation and review.

EXPLAIN how the auditor’s responsibilities for corresponding figures, comparative financial statements, and ‘other information’ are discharged.

Evaluation and Review

APPLY and EVALUATE audit procedures for all transactions in the extant syllabus for the Financial Reporting module.

EXPLAIN the use of analytical procedures in evaluation and review.

EXPLAIN how the auditor’s responsibilities for corresponding figures, comparative financial statements, and ‘other information’ are discharged.
DISCUSS the limitations of the standards on auditing and the possible modifications that they may require in the audits of smaller entities.

DISCUSS the courses of action available to an auditor when documents containing audited financial statements and the auditor's report include other information that is inconsistent with or undermines the credibility of those financial statements and the auditor's report.

SPECIFY audit procedures designed to identify subsequent events that may require adjustment to, or disclosure in, the financial statements of a given entity or steps to be taken for subsequent discovery of facts.

IDENTIFY and EXPLAIN indicators that the going concern basis may be in doubt and evaluate mitigating factors.

RECOMMEND audit procedures to evaluate the evidence that might be expected to be available and assess the appropriateness of the going concern basis in given situations.

ASSESS the adequacy of disclosures in financial statements relating to going concern and explain the implications of the auditor's report with regard to the going concern basis.

RECOGNISE the specific matters to be considered before accepting appointment as auditor of group financial statements.

IDENTIFY and EXPLAIN the matters specific to planning an audit of group financial statements including assessment of the group, its components, and their environments, the impact of non-coterminous year ends within a group and changes in group structure.

JUSTIFY the situations where a joint audit would be appropriate.

RECOGNISE the audit issues and describe audit procedures specific to a business combination.

IDENTIFY and EXPLAIN the audit risks and necessary audit procedures relevant to the consolidation process and group-wide controls.

IDENTIFY and DESCRIBE the matters to be considered and the procedures to be performed at the planning stage, when a group engagement team considers the use of the work of component auditors.

EXPLAIN effective communication between the group engagement team and component auditors and the determination and communication of materiality for a group audit, including materiality at the component level.

EXPLAIN the responsibilities of component auditors in the context of a group audit.

CONSIDER how the group engagement team should evaluate the audit work performed by a component auditor.

EXPLAIN the implications for the auditor's report on the financial statements of an entity where the opinion on a component is qualified or otherwise modified in a given situation.

DESCRIBE the nature of a review engagement and audit-related services, the circumstances in which they might be required and the comparative levels of assurance provided by public accounting entities and distinguish between:

- A review engagement, audit-related services and an audit of historical financial statements; and
- An attestation, review or compilation engagement including compiling proforma financial information for a prospectus.

PLAN review engagements, for example:

- A review of interim financial information; and
- A review of historical financial information.

EXPLAIN the nature and extent of enquiry and analytical procedures in review engagements and apply these procedures.

OTHER ASSIGNMENTS
Internal Audit

**Assurance Services Other Than Statutory Audit**

**DESCRIBE** the main categories of assurance services that public accounting entities can provide and assess the benefits of providing these services to management and external users.

**JUSTIFY** a level of assurance (reasonable or limited) for an engagement depending on the subject matter evaluated, the criteria used, the procedures applied and the quality and quantity of evidence obtained.

**RECOGNISE** the ways in which different types of risks (e.g. strategic, operating, information) may be identified and analysed and how it is communicated to management.

**EXPLAIN** the usefulness to management and other stakeholders of combined assurance, especially in the context of risk management.

Prospective Financial Information (PFI)

**EXPLAIN** the principles of useful PFI.

**IDENTIFY** and describe the matters to be considered before accepting a specified engagement to report on PFI.

**DESCRIBE** examination procedures for forecasts and projections.

**APPLY** extant standards for examination and reporting of PFI engagements.

**COMPARE** the content of a report on an examination of PFI with reports made in providing audit-related services and apply the regulatory prescriptions.

Outsourcing

**DISCUSS** and **CONCLUDE** the advantages and disadvantages of outsourcing finance and accounting functions.

**RECOGNISE** and **EVALUATE** the impact of outsourced functions on the conduct of an audit and the use of assurance reports on controls at a third party service organisation.

REPORTING

**Reports to Those Charged With Governance and Management**

**CRITICALLY ASSESS** the quality of reports by others and by management to those charged with governance and management.

**ADVISE** on the content of reports to those charged with governance and management in a given situation.

**Auditor’s Reports**

**CRITICALLY APPRAISE** the form and content of an auditor’s report in a given situation.

**RECOGNISE** and **EVALUATE** the factors to be taken into account when forming an opinion in a given situation and justify opinions that are consistent with the results of audit or assurance procedures.

**ASSESS** whether a proposed audit opinion is appropriate.

**ADVISE** on the actions that may be taken by the auditor in the event that a modified audit report is issued including actions that must be taken under the existing regulatory framework.

**EXPLAIN** when the use of an ‘emphasis of matter’ paragraph and ‘other matter’ paragraph would be appropriate.
DISCUSS the relative advantages of an ethical framework and a rulebook.

IDENTIFY and assess relevant emerging ethical issues and evaluate the safeguards available.

DISCUSS ethical issues in the context of current developments in Asia and internationally.

EXPLAIN current developments in Singapore and international auditing standards including the need for new and revised standards and evaluate their impact on the conduct of audits.

DISCUSS other current legal, ethical, professional and practical matters that affect accountants, auditors, their employers and the profession.

EXPLAIN the circumstances in which listed entity audit failures have mostly taken place in Singapore and overseas, paying particular attention to the apparent ethics of management (including family-owned companies), internal and statutory auditors and others involved in the financial reporting chain.

EXPLAIN recent trends in IT and their current and potential impact on auditors (e.g. the audit implications of ‘cyber incidents’ and other risks).

EXPLAIN how IT may be used to assist auditors and discuss the issues that may be encountered in automating the audit process.

EXPLAIN the circumstances in which enhancements to data capture and information processing systems may add value to a client’s activities.

DISCUSS how business reporting on the Internet and growing use of XBRL impacts on the duties of the auditor and how assurance may best be given to stakeholders using such information.

EXPLAIN how IT may be used to assist auditors and discuss the issues that may be encountered in automating the audit process.

EXPLAIN the circumstances in which enhancements to data capture and information processing systems may add value to a client’s activities.

DISCUSS how business reporting on the Internet and growing use of XBRL impacts on the duties of the auditor and how assurance may best be given to stakeholders using such information.
BUSINESS VALUE, GOVERNANCE AND RISK

2017-2018
Upon completion of the Business Value, Governance and Risk module, Candidates will be able to demonstrate a sound understanding of the basis upon which corporate value is created, maintained sustainably (e.g. sound investment decisions) and protected (e.g. by avoidance of excessive concentration of power and lack of scrutiny of management). Candidates will be able to assess how governance arrangements may prevent long-term dysfunctional behaviour. The module addresses risk management as a key factor in governance and strategy. It develops skills from previous studies in asset valuation in the context of wider considerations of capital investment appraisal, including strategic investment decisions, taking into account underlying financial risk management concepts for effective and responsible decision making.

**RECOMMENDED PROGRESSION**

The Ethics and Professionalism module must be completed before enrolment in any technical module. There is no other pre-requisite in the Professional Programme for this module.

**COGNITIVE LEVELS**

This document includes learning outcomes which Candidates are expected to achieve. Each learning outcome is identified with a cognitive level ranging from 1 to 3. The cognitive levels are described below:

1. An ability to communicate sound knowledge and insight in relation to emerging trends, current issues, and regulatory changes, with some practical application.

2. An ability to analyse and apply knowledge to moderately complex scenarios that a Candidate would be likely to encounter in the workplace to derive the best possible outcome.

3. An ability to demonstrate an elevated level of application of knowledge, as well as synthesise and evaluate information in more complex scenarios in order to arrive at value-added solutions.

The cognitive levels give an indication of the intellectual depth which Candidates are expected to achieve.

The technical modules in the Professional Programme are designed at post-university level and build on knowledge, skills and values achieved during the undergraduate studies. The technical modules are designed to develop higher order skills of application, analysis, synthesis and evaluation. For this reason, there are very few learning outcomes with cognitive level 1.
**LEARNING OUTCOMES**

**ENHANCING BUSINESS VALUE**

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**Increasing Business Value Through Organic Growth and Acquisitions**

**EXPLAIN** the various ways that organisations may be designed and structured.

**EXPLAIN** the purpose and importance of different types of functional and operational areas within organisations.

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**EVALUATE** capital investment appraisal systems.

**EVALUATE** strategic considerations in mergers and acquisitions.

**EXPLAIN** the strategic role of an effective risk management framework in enhancing business value.

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**Sustaining Business Value Through Sound Corporate Governance**

1. **DIFFERENTIATE** between public and private companies, including the various forms such as limited by shares, limited by guarantee, and unlimited, as well as family-owned and government-linked.

2. **EXPLAIN** the nature and effect of a company having a separate legal personality and the concept of perpetual succession.

3. **DETERMINE** instances where the concept of a separate legal identity will be ignored (lifting the corporate veil).

4. **SPECIFY** the grounds relating to the dissolution and winding up of companies, including the common grounds for winding up a company under an order of the court.

5. **SPECIFY** the procedures for addressing corporate insolvency, including stakeholders and the rights of claimants.

6. **DEFINE** and **JUSTIFY** sustainable business value creation.

7. **EXPLAIN** the strategic role of a sound corporate governance structure, in balancing short-term financial objectives against medium to long-term business aims, in pursuit of an overall corporate mission.

8. **JUSTIFY** the use of corporate governance mechanisms in ensuring the maintenance of the following forms of capital, from a business continuity and sustainability perspective:
   - Financial capital;
   - Manufactured capital;
   - Human capital;
   - Intellectual capital;
   - Natural capital; and
   - Social capital.

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**EVALUATE** capital investment appraisal systems.

**EVALUATE** strategic considerations in mergers and acquisitions.

**EXPLAIN** the strategic role of an effective risk management framework in enhancing business value.
Business Valuation Techniques

**DESCRIBE** the environment in which an organisation operates, including the main economic, legal, political, social, technical, international and cultural forces.

**EXPLAIN**, apply, and justify the use of income, asset-based, and market valuation approaches used for investment decisions, business planning, and long-term financial management.

Impact of Financing on Investment Decisions

**ASSESS** the appropriateness and cost of the various sources of financing available to a company.

**ASSESS** the impact of interest rate changes on a company’s debt exposure.

**ASSESS** the impact of a company’s credit quality on its debt financing options.

**COMPARE** the various sources of financing available to an organisation, including bank financing, financial instruments and bond, equity and treasury markets.

**ASSESS** the appropriateness and cost of the various non-traditional sources of financing available to an organisation, including Islamic financing, crowd funding, venture capital, and business angels.

Capital Budgeting and Forecasting

**ANALYSE** an organisation’s cash flow and working capital requirements.

**ANALYSE** the current and future financial position of an organisation, using techniques including ratio analysis, trend analysis and cash flow analysis.

**APPLY** capital budgeting techniques in the evaluation of capital investment decisions.

Mergers and Acquisitions Versus Other Growth Strategies

**DISCUSS** the arguments for and against the use of mergers and acquisitions as a method of corporate expansion.

**EVALUATE**, from a given context, the potential for synergy separately classified as:
- Revenue synergy;
- Cost synergy; and
- Financial synergy.

**OUTLINE** the problems of overvaluation of target companies.

**ASSESS** the impact of an acquisition or merger on the risk profile of the acquirer.

**DEMONSTRATE** an understanding of the procedure for valuing high growth start-ups.

**DEMONSTRATE** an understanding of the principal factors influencing the development of the regulatory framework for mergers and acquisitions globally.

International Investment and Financing Decisions

**EVALUATE** the significance of exchange controls for a given investment decision and strategies for dealing with restricted remittance.

**ASSESS** the impact on a project upon a company’s exposure to foreign exchange, cross-border transactions and economic risk.

**ASSESS** the costs and benefits of alternative sources of financing available within the international equity and bond markets.

**ANALYSE** the aspects of the global environment that affect international trade and finance.

**IDENTIFY** the features of globalisation, including the role of multinationals, e-commerce, economic communities and emerging markets.
Scope of Corporate Governance

**EXPLAIN, APPLY and ANALYSE** the purpose of corporate governance in the Asian context, especially in relation to:

- How strong corporate governance and stakeholder relations can help entities plan for the long-term and make better investment decisions;
- Balancing the need for timely decision making with avoidance of power abuse;
- How confidence in the corporate governance of an entity can reduce perceived business risk and impact on valuation;
- Different stakeholder attitudes to the value-added of corporate governance procedures;
- The link between corporate governance and political certainty and stability - recognising the similarity between corporate governance and political constitutions; and
- Prevention of dysfunctional concentrations of power.

**COMPARE and DISTINGUISH** the different governance issues between the public, private and non-governmental organisations (NGO) sectors.

**EXPLAIN and EVALUATE** the roles, interests and claims of the following stakeholders involved in corporate governance:

- Directors;
- Management;
- Investors; (Shareholders and minority shareholders)
- Auditors; and
- Regulators and Government.

**EXPLAIN** and briefly explore the development of the Singapore Code of Corporate Governance including its impetus and background, in comparison to other major principles-based corporate governance codes and the effects of this code on businesses.

**IDENTIFY and DESCRIBE** the Components of the Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring Activities.

**DEMONSTRATE** how an organisation should implement the seventeen Principles.

**EXPLAIN** how the Points of Focus should be applied.

**DETERMINE** whether Components and Principles are ‘present and functioning’.

**EXPLAIN** how deficiencies in internal control should be assessed and addressed.

**EXPLAIN** how the Principles enable effective operation of the Internal Control Components and the system of internal control as a whole.

**DESCRIBE** the interaction between the Framework and the application of Ethics Pronouncement (EP) 100: ISCA Code of Professional Conduct and Ethics and (EP) 200: Anti-money laundering and countering the financing of terrorism - requirements and guidelines for professional accountants in Singapore

**DETAIL** how the Framework can assist an organisation to fulfil its non-financial reporting responsibilities.

**EVALUATE** the role that technology plays in internal control.
RISK AND RISK MANAGEMENT

Board Committees

**EXPLAIN and EVALUATE** the role and purpose of the following committees in effective corporate governance:
- Remuneration committees;
- Nomination committees;
- Risk committees; and
- Audit committees.

**Categories of Assessment and Measurement of Risk**

**EXPLAIN and ANALYSE** the general principles for assessing the performance and remuneration of directors.

**EXPLAIN and ANALYSE** the legal, ethical, competitive and regulatory issues associated with directors’ remuneration.

Directors’ Performance Evaluation and Remuneration

**EXPLAIN and EVALUATE** the importance of monitoring risks.

**DESCRIBE and ANALYSE** the approach to embedding risk management in an organisation.

**Categories of**

**ANALYSE** business risks, including strategic, operational and financial risks.

**Assessment and Measurement of Risk**

1. **EXPLAIN** the concepts of assessing the severity and probability of risk events.
2. **DESCRIBE** and **EVALUATE** a risk assessment framework.
3. **ASSESS** the importance and limitations of information for risk management.
4. **APPLY** appropriate risk measurement techniques and explain the application of risk management.

**Targeting and Monitoring of Risk**

**EXPLAIN and EVALUATE** the importance of monitoring risks.

**DESCRIBE and ANALYSE** the approach to embedding risk management in an organisation.

**Identifying and Assessing Risk**

**DEFINE and EXPLAIN** risk in the context of corporate governance.

**DEFINE and DESCRIBE** management responsibilities in risk management.

**EXPLAIN** the dynamic nature of risk assessment.

**EXPLAIN** risk appetite and how this affects risk policy.

**EXPLAIN** and **EVALUATE** the role and purpose of the following committees in effective corporate governance:
- Remuneration committees;
- Nomination committees;
- Risk committees; and
- Audit committees.

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**ANALYSE** business risks, including strategic, operational and financial risks.

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**DEFINE and DESCRIBE** management responsibilities in risk management.

**EXPLAIN** the dynamic nature of risk assessment.

**EXPLAIN** risk appetite and how this affects risk policy.
Risk Management and Modelling

1. EXPLAIN the importance of risk transfer, avoidance, reduction and acceptance.
2. EXPLAIN how business organisations use policies and techniques to mitigate various types of strategic, operational and financial risks.
3. EXPLAIN and ASSESS the necessity of risk-taking part as of managing an organisation.

INTERNAL CONTROL AND REVIEW

Management Information in Internal Control

- EVALUATE the qualities and characteristics of information required in internal controls, risk management and risk monitoring.
- EVALUATE the costs and benefits in the development of a management information system and/or enterprise risk management system.

Management Control Systems in Corporate Governance

- EXPLAIN the importance of internal controls and risk management in corporate governance.

Internal Control and Audit in Corporate Governance

- DESCRIBE the importance of internal controls on both internal and external audits.
- EXPLORE and EVALUATE the effectiveness of internal control systems.

Emerging Trends & Current Issues

- SUMMARISE the key issues in relation to both domestic and international emerging trends and current issues.
TAXATION

2017-2018
Upon completion of the Taxation module, Candidates will be able to deal with the Singapore taxation issues that a general purpose accountant (i.e. an accountant other than one specialising in the provision of tax advice) is likely to encounter, such as income tax from self-employment; employment and investments; the corporation tax liability of individual companies and groups of companies; stamp duty; the goods and services tax liability of businesses; and the types of tax incentives available. Candidates should also be able to appreciate tax planning opportunities under domestic taxation laws. Candidates will also be expected to understand international taxation and comparative tax treatments for financial risk management considerations, though not in a tax planning or advisory role.

RECOMMENDED PROGRESSION

The Ethics and Professionalism module must be completed before enrolment in any technical module. There is no other pre-requisite in the Professional Programme for this module.

COGNITIVE LEVELS

This document includes learning outcomes which Candidates are expected to achieve. Each learning outcome is identified with a cognitive level ranging from 1 to 3. The cognitive levels are described below:

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The technical modules in the Professional Programme are designed at the post-university level and build on knowledge, skills and values achieved during the undergraduate studies. The technical modules are designed to develop higher order skills of application, analysis, synthesis and evaluation. For this reason, there are very few learning outcomes with cognitive level 1.
LEARNING OUTCOMES
PERSONAL INCOME TAX LIABILITIES

The Scope of Income Tax

EXPLAIN how the tax residency of an individual is determined.

DEMONSTRATE the application of the 3-year and 2-year concessional rules for determining tax residence.

APPLY the concepts of tax residence for an individual and its relevance to income tax.

EXPLAIN the tax position of individuals entering and leaving Singapore.

DETERMINE the income tax treatment for overseas income.

UNDERSTAND the relevance of the OECD Model Tax Convention under tax treaties in various situations.

Income From Employment

RECOGNISE the factors that determine whether an engagement is treated as employment or self-employment and the tax implications thereof.

RECOGNISE the different basis of assessment of employment income for an individual who is a tax resident or a non-tax resident of Singapore.

DISTINGUISH between gains and profits from employment and capital receipts.

COMPUTE the assessable income.

RECOGNISE the allowable expenses that can be deducted from employment income.

COMPUTE the amount of employment benefits assessable, including share options, share awards and excess Central Provident Fund (CPF) contributions made by an employer.

EXPLAIN the tax treatment of equity based remuneration schemes.

EXPLAIN the tax treatment of lump sum receipts e.g. retrenchment benefits, retirement gratuities.

EXPLAIN the not ordinarily resident (NOR) scheme.

Property and Investment Income

COMPUTE the net investment income, in properties and equities, placement of funds on deposits with banks and loans granted both within and outside Singapore.

RECOGNISE the difference between a business carrying on a trade and held for pure investment intent.

COMPUTE the tax payable on dividend income.

RECOGNISE the exemptions available for certain types of investment income including investments in unit trusts.

DESCRIBE the tax implications of jointly held assets.

OUTLINE the income tax position of trust beneficiaries.

The Use of Exemptions or Reliefs in Deferring and Minimising Income Tax Liabilities

EXPLAIN and COMPUTE the tax relief for CPF contributions made by employees and the self-employed.

APPLY and CLARIFY the tax rules relating to the CPF contributions for employees and the self-employed.

APPLY the rules relating to the Supplementary Retirement Scheme (SRS) for employees and the self-employed.

RECOGNISE the tax implications for a shareholder/director extracting profits from an owner managed company by way of remuneration versus dividend payments.
Income From Self-Employment

RECOGNISE the basis of assessment of income from self-employment.

DISTINGUISH between income and capital receipts.

DESCRIBE and apply the six badges of trade.

RECOGNISE the expenditure that is allowable in calculating the tax-adjusted trading profit, including enhanced deductions under the Productivity and Innovation Credit (PIC) scheme.

RECOGNISE the relief that can be obtained for pre-commencement expenses.

RECOGNISE Singapore-sourced professional income of non-residents.

Capital allowances:

• DEFINE "plant and machinery" for capital allowances purposes;
• COMPUTE capital allowances claimable including accelerated and one-year write-off;
• COMPUTE enhanced capital allowances under the PIC scheme for prescribed automation equipment;
• COMPUTE balancing allowances and balancing charges;
• COMPUTE industrial buildings annual allowance for existing qualifying buildings;
• COMPUTE the balancing adjustment on the disposal of an industrial building;
• DESCRIBE how capital allowances can be carried forward and carried back including spousal transfer;
• DESCRIBE how capital allowances can be claimed against total income; and
• ILLUSTRATE the order of set-off of current and previous years’ capital allowances.

Relief for trading losses:

• EXPLAIN and APPLY how trading losses can be carried forward and carried back;
• EXPLAIN and APPLY how trading losses can be claimed against total income; and
• EXPLAIN and APPLY the order of set-off of current and previous years’ trading losses.

Partnerships, limited liability partnerships and limited partnerships:

• EXPLAIN how a partnership is assessed for tax;
• COMPUTE the assessable profits for each partner following a change in the profit sharing ratio;
• COMPUTE the assessable profits for each partner following a change in the membership of the partnership;
• EXPLAIN the capital allowances, industrial building allowances and trade loss relief restriction that applies to the partners of a limited liability partnership and a limited partnership;
• RECOGNISE the tax treatment of the income of a partnership; and
• EXPLAIN the tax implications arising from the transition of a partnership to a limited liability partnership or a limited partnership and vice versa.

Responsibilities as an Employer

DESCRIBE the responsibilities of an employer in reporting employee earnings.

DETERMINE when to seek tax clearance and how to file for tax clearance for non-citizen foreign employees.

The Comprehensive Computation of Taxable Income and Income Tax Liability

PREPARE an income tax computation involving different income sources.

CALCULATE the amount of personal reliefs available to individuals and recognise the reliefs and rebates claimable, such as earned income, spouse, children, working mother’s child relief, life assurance, aged parents, grandparent caregiver, course fees, foreign maid levy, NSman and parenthood tax rebate.

DESCRIBE the tax relief for donations and the carry forward of unabsorbed donations.

COMPUTE the chargeable income and the amount of income tax payable.

EXPLAIN the tax treatment of a jointly owned property by a married couple and the exemption granted on owner-occupied residential property.

DETERMINE the income taxability of minors.
The Scope of Corporate Income Tax

**Define** the terms “basis period” and “year of assessment”.

**Determine** the basis period for assessing corporate profits, including the case of a change of financial reporting date.

**Detail** the tax obligations of incorporating a company.

**Explain** how the tax residence of a company is determined.

**Compare** the differences in tax treatments between an incorporated company, a branch of a foreign company and a representative office.

**Outline** the tax obligations or duties of a liquidator in winding up a company.

The Comprehensive Computation of the Corporate Income Tax Liability

**Prepare** a basic tax computation for a company with different income sources, including investment income.

**Describe** the tax relief for donations and the carry forward of unabsorbed donations.

**Explain** the tax implications arising from the distribution of profits by a company to its shareholders.

**Compute** the corporate income tax liability, including the basic calculation of unilateral tax credit and foreign tax credit (including foreign tax credit pooling).

**Explain** how tax exemptions and reliefs can defer or minimise corporate income tax liabilities.
The Tax Effect of a Group Corporate Structure for Corporate Income Tax Purposes

**DEFINE** members of the same group and recognise the effect of being a member of the same group for corporation tax purposes.

**RECOGNISE** the tax reliefs that are available to members of such a group.

**OUTLINE** the basic principles contained in the transfer pricing guidelines, including different commonly used methodologies for setting and defending transfer prices, especially in cross-border transfers.

**EXAMINE** the effect of a group structure for corporate income tax purposes:
- Tax consequences of a transfer of assets and business, including eligibility under the Mergers and Acquisitions (M&A) Scheme;
- Effects of the anti-tax avoidance provisions;
- Effects of a corporation becoming a member of a group for only part of a year; and
- Position where a member of a group enjoys a concessionary rate of tax.

Income Tax Liability in a Cross-Border Context

**OUTLINE** the impact of the OECD Model Tax Convention under tax treaties on corporate income tax.

**DEFINE** and discuss the tax implications of a “permanent establishment”.

**DETAIL** the tax position of overseas companies trading in Singapore.

**DEFINE** and **EXPLAIN** anti-tax avoidance provisions.

**SUMMARISE** the provisions within specific Avoidance of Double Taxation Agreements (DTAs).

Tax Incentives Provided for Under the Income Tax Act and Economic Expansion Incentives (Relief from Income Tax) Act

**EXPLAIN** the availability of tax incentives for relevant trading activities and business situations including tax incentives for specialised industries such as shipping, banking, insurance, etc.

Others

**SHOW** knowledge of:
- Explain the nature of contractual agreements, the agency relationship, and the consequences of negligence for tax agents
- Tax treatment for charities, clubs, trade associations and similar institutions; and
- Tax treatment for non-resident ship owners, charterers, air transport undertakings and related exemptions.
THE SYLLABUS HANDBOOK — PROFESSIONAL PROGRAMME

WITHHOLDING TAX

Understand the Scope of Withholding Tax

- **DESCRIBE** the scope of withholding tax.
- **EXPLAIN** the withholding tax implications arising from payments made to non-residents.

Identify and Apply the Relevant Withholding Tax Rates

- **IDENTIFY** the various withholding tax rates on different income sources.
- **CALCULATE** payment penalties on withholding tax.

Know the Withholding Tax Filing Requirements

- **RECOGNISE** the due dates for the payment of withholding tax.
- **COMPLETE** the requisite withholding tax form and comply with filing requirements.

Be Aware of Ways to Minimise Withholding Tax

- **ILLUSTRATE** how withholding tax can be minimised.

STAMP DUTY

The Scope of Stamp Duty

- **EXPLAIN** the duties payable on transfers of shares and securities.
- **EXPLAIN** the duties payable on transfers of immovable property.
- **EXPLAIN** the duties payable on lease and tenancy agreements.

Stamp Duty Reliefs and Remissions

- **APPRECIATE** the Mergers and Acquisitions (M&A) Scheme, Real Estate Investment Trusts (REITs), conveyance directions, aborted sale and purchase agreements and terminated leases.

Stamp Duty Treatment

- **DESCRIBE** the stamp duty treatment for property transfers involving no consideration and group transfers.

The Administration of Stamp Duties

- **EXPLAIN** the systems by which stamp duties are administered.
- **RECOGNISE** the detailed rules on interest and penalties.
GOODS AND SERVICES TAX

The Scope of Goods and Services Tax (GST)

3 DESCRIBE the scope of GST including transactions, which are out of scope e.g. third country sale and transfer of going concern (TOGC).
3 EXPLAIN the different types of supplies e.g. zero-rated and exempt supplies.
2 EVALUATE the common GST schemes and incentives available.

The Computation of GST Liabilities

3 EXPLAIN how GST is accounted for and administered.
3 RECOGNISE the tax point under the time of supply rules when goods or services are supplied.
2 EXPLAIN price display, invoicing and other record keeping requirements for a GST registered business.
2 EXPLAIN and apply the principles regarding the valuation of supplies including imports.
2 RECOGNISE the circumstances in which input GST is claimable and non-claimable (such as blocked input tax).
2 RECOGNISE the GST implications of a business making exempt supplies (e.g. de minimis rule).
3 COMPUTE the available GST reliefs e.g. trade debts that are bad.
3 EXPLAIN the GST implications of the supply of land and buildings in Singapore.
2 EXPLAIN the GST implications of imports and exports, including the Major Exporter Scheme (MES).
2 EXPLAIN the GST implications of partial exemption.
2 OUTLINE the imposition of GST penalties.
3 ADVISE on GST treatment for fringe benefits that are commonly given free to employees.
3 RECOGNISE the different GST treatment for reimbursements and disbursements.

The GST Registration Requirements

3 RECOGNISE the circumstances in which a person must register for GST.
3 EXPLAIN the advantages of voluntary GST registration.
2 EXPLAIN the circumstances in which pre-incorporation and pre-registration input GST can be recovered.
3 ADVISE on the GST impact of group registration and divisional registration and GST implications on deregistration.
3 EXPLAIN how and when a person can de-register for GST and GST implications upon deregistration.
2 RECOGNISE the GST implications where there is a change in business constitution and ownership.
THE IMPORTANCE OF TAXATION TO PERSONAL AND CORPORATE FINANCIAL MANAGEMENT

The Principles Underlying Personal Financial Management

**CALCULATE** the receipt from a transaction net of tax, compare the results of alternative scenarios and advise on the most tax efficient course of action.

The Applicability of the Common Forms Of Personal Finance and Investment Products in a Given Set of Circumstances, Including Ethical Considerations

**COMPARE** and **CONTRAST** the different tax treatments for the sources of finance available to individuals.

**COMPARE** and **CONTRAST** the different tax treatments for investment products:

i. Deposit based investments;
ii. Equities;
iii. Real Estate Investment Trusts (REITs); and
iv. Unit trusts.

How an Individual’s Personal Financial Objectives May Differ Depending on His/Her Circumstances and Expectations

**COMMUNICATE** and **APPLY** the effect of age, family commitments, aspirations and the economy on personal financial objectives.

How Taxation Can Affect the Financial Decisions Made by Businesses (Corporate and Unincorporated) and by Individuals

**EXPLAIN** the tax effects of raising equity, loan finance and other sources of funding.

**EXPLAIN** the impact of taxation on the cash flows of a business.

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**COMMUNICATE** and **APPLY** the effect of age, family commitments, aspirations and the economy on personal financial objectives.

How Taxation Can Affect the Financial Decisions Made by Businesses (Corporate and Unincorporated) and by Individuals

**EXPLAIN** the tax effects of raising equity, loan finance and other sources of funding.

**EXPLAIN** the impact of taxation on the cash flows of a business.

**IDENTIFY** and **DESCRIBE** the different tax consequences due to the various ways of achieving personal or business outcomes.

**ASSESS** the tax advantages and disadvantages of alternative courses of action.

**EXPLAIN** the statutory obligations imposed in a given situation, including any time limits for action and advising on the implications of non-compliance.
ETHICALLY MINIMISE AND/OR DEFER TAX LIABILITIES BY THE USE OF STANDARD TAX PLANNING MEASURES

**Tax Efficient Investments**

1. **IDENTIFY** and **ADVISE** on the types of investments and other expenditures that will result in a reduction in tax liabilities for an individual and/or a business.
2. **ADVISE** on legitimate tax planning measures by which the tax liabilities arising from a particular situation or course of action can be mitigated.
3. **ADVISE** on the appropriateness of such investments, expenditures or measures given a particular taxpayer’s circumstances or stated objectives for tax planning purposes.

**Current Issues in Taxation**

1. **APPRECIATE** the current issues in taxation, including the effect of court decisions in recent major tax cases on the interpretation of existing tax legislation.

**Tax Planning and Advisory Implications**

2. **ADVISE** on the mitigation of tax liabilities with reference to numerical analysis and/or reasoned argument.
3. **IDENTIFY** and **EVALUATE** the ethical and professional issues arising from the provision of tax planning advice.

**COMMUNICATING WITH CLIENTS, THE IRAS AND OTHER PROFESSIONALS IN AN APPROPRIATE MANNER**

**Communication of Advice, Recommendations and Information in the Required Format**

1. **PRESENT** written information, in a language appropriate for the purpose of communication to the intended recipient.
2. **COMMUNICATE** conclusions reached with relevant supporting computations.
3. **STATE** and **EXPLAIN** assumptions made or limitations in the analysis provided.
4. **IDENTIFY** any inadequacies in the information required to provide a more complete analysis.
5. **IDENTIFY** and **EXPLAIN** other significant non-tax factors that should be considered when communicating tax implications/outcomes.

**The Time Limits for the Submission of Information, Claims and Payment of Tax**

1. **RECOGNISE** the time limits for the filing of tax returns, including estimates of chargeable income (ECI) and the making of claims.
2. **RECOGNISE** the due dates for the payment of tax, including instalment arrangements and tax assessed on estimated chargeable income and withholding tax.
3. **LIST** and **CLARIFY** the information and records that taxpayers need to retain for tax purposes.

**Penalties for Non-Compliance**

1. **STATE** the penalties that can be charged for non-compliance with reference to the Income Tax Act.
2. **CALCULATE** late payment penalties on overdue income tax and withholding tax.

**The Procedures Relating to Enquiries, Appeals and Disputes**

1. **EXPLAIN** the circumstances in which the Comptroller can enquire into the tax affairs of taxpayers.
2. **EXPLAIN** the procedures for dealing with appeals and disputes.
This capstone module will develop Candidates’ ability to identify business issues and opportunities, and use their knowledge, skills, values, and judgment acquired from the Ethics and Professionalism module, four technical modules, and practical work experience to develop integrative business solutions for relevant stakeholders groups. Higher order knowledge and skills are required to assess strategic positions, business performance, and governance, as well as identify viable options, recommend appropriate plans to achieve strong organisational performance, and provide sustainable value-added solutions. The module requires Candidates to critically analyse business issues and demonstrate strong analytical skills through interpreting and evaluating multidisciplinary business case study/studies.

ENROLMENT REQUIREMENT

Candidates will only be allowed to enrol for the Integrative Business Solutions capstone module upon completion of the Ethics and Professionalism module and passed the 4 technical modules. In addition, Candidates must have acquired at least 2 years of relevant practical experience by the time they sit for the examination.

COGNITIVE LEVELS

This module does not include cognitive/intellectual levels in the same way as the technical modules. Non-technical learning outcomes required for this module are not described in terms of intellectual depth.
LEARNING OUTCOMES

CREATING BUSINESS VALUE

BUSINESS AWARENESS AND STRATEGIC ANALYSIS

IDENTIFY business strategies relevant to the goals and objectives of an organisation in a globalised world with emphasis on the Asian business environment.

IDENTIFY and EXPLAIN performance benchmarks to measure success.

DESCRIBE the impact of the changing business environment, including globalisation and market forces on a business strategy.

EXPLAIN customer relationship management and its importance in supporting business strategies.

DESCRIBE the role and mechanisms of change management in the business environment.

EVALUATE business strategies in conjunction with organisational and environmental opportunities/constraints, and ensure their correlation with the goals and objectives.

ANALYSE the strategic position of an organisation taking into account:

- Environmental factors;
- Internal resources, capabilities, and competences;
- Competitive forces and competitive advantage;
- Strategic market position;
- Opportunities and risks;
- Tax position and exposures;
- Conflicting stakeholder needs and expectations;
- Corporate social responsibility and sustainability;
- Influences of culture; and
- Governance and the ethical climate.

RECOMMENDING BUSINESS SOLUTIONS

FORMULATE strategies and evaluate proposed investment decisions in a domestic or multinational environment, taking into account all available qualitative and quantitative data in the context of the COSO Enterprise Risk Management (ERM) framework. The outcomes of which include:

- Strategy formulation and development;
- Financial decision-making to formulate and support business strategy;
- Valuation of acquisitions and investments;
- Effective funds management strategies, including tax positions; and
- Identification of the financial implications of strategic alternatives.

PROPOSE sustainable value-added options through the application of financial management, performance management, and enterprise risk management strategies.
DEMONSTRATE an ability to make ethical decisions using an ethical framework.

DEMONSTRATE the application of fundamental principles (integrity, objectivity, professional competence and due care, confidentiality and professional behaviour) to business activities, professional judgment and policy formulation.

APPLY the concepts of independence, professional scepticism, accountability, public interest and expectations to assess financial information and other data relevant to the role of a Chartered Accountant of Singapore.

MANAGING SELF

DEMONSTRATE personal effectiveness in a changing work environment by displaying the following attitudes and behaviours:

• Tolerating ambiguity;
• Being open to new ideas;
• Staying focused on outcomes;
• Being flexible in new/different situations;
• Adapting and responding positively to challenges;
• Critical, analytical, and creative thinking; and
• Taking responsibility for life-long learning.

EVALUATE professional commitments and manage own time and resources to achieve them.

IDENTIFY personal team role preference and its impact on working style and performance (both personal and team).

PROMOTE cooperation, collaboration, and teamwork to work towards solutions and to achieve organisational goals.

EVALUATE own performance through feedback from others and/or through reflection to seek out ways to enhance performance.

CRITICAL THINKING, ANALYSIS, AND PROBLEM SOLVING

IDENTIFY, RETRIEVE, RESEARCH, and ORGANISE data and evidence from a variety of sources and perspectives, including data from unstructured and/or interdisciplinary sources.

INTERPRET and EVALUATE information and evidence to determine its strength, quality, and veracity, and draw appropriate conclusions.

ANALYSE, REASON LOGICALLY and CONCEPTUALISE issues.

APPLY a strategic, critical, and sceptical thinking approach to organisational challenges and the evaluation of stakeholder perspectives and information.

IDENTIFY challenges when using unstructured, interdisciplinary information and demonstrate reasoning and analytical skills appropriate to achieving solutions.

IDENTIFY and EXPLAIN the utilisation of strategic information systems relevant to business.

ASSESS the implications of new and emerging developments in technology and ways of doing business.

APPLY appropriate problem-solving techniques.

BUSINESS COMMUNICATION

PRACTICE active listening to understand the meaning of the conversation and to show respect for the other person's point of view.

EXERCISE clear and concise communication skills when presenting, discussing, and reporting through formal, informal, written, and spoken channels.

SHOW sensitivity to cultural and language differences in all forms of communication.