

MANAGEMENT ACCOUNTANCY

EDUCATIONAL PROGRAMME

December 1994

Institute of Cost & Management Accountants of Pakistan

St-18/C, Block-6, NIPA Chowrangi, Gulshan-e-Iqbal, Karachi-75300

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SUMMARY OF SUBJECTS

Foundation Course	Subject Code No.
1. Principles of Accounting	FD/PAC
2. English Grammar and Composition	FD/EGC
3. Business Communication and Report Writing	FD/BCRW
4. Computer	FD/COMP
5. Economic and Business Environment	FD/EBE
Intermediate Group (A)	
1. Financial Accounting	INT-A/FAC
2. Cost Accounting	INT-A/CAC
3. Industrial and Commercial Law	INT-A/ICL
4. Quantitative Techniques	INT-A/QT
Intermediate Group (B)	
1. Advanced Financial Accounting	INT-B/AFAC
2. Taxation	INT-B/TAX
3. Production Technology and Plant Management	INT-B/PTPM
4. Corporate Laws and Secretarial Practice	INT-B/CLSP
Final Group (A)	
1. Management Accounting	FN-A/MAC
2. Advanced Cost Accounting	FN-A/ACAC
3. Auditing	FN-A/AUD
4. Management	FN-A/MGT
Final Group (B)	
1. Financial Management	FN-B/FM
2. Corporate Performance Evaluation	FN-B/CPE
3. Management Information System	FN-B/MIS
4. Marketing Management and Organizational Behaviour	FN-B/MMOB

Objectives

To provide the students with:

- a) a detailed knowledge of the principles and concepts of accounting and their application in both manual and computerized accounting systems,
- b) an ability to prepare financial statements,
- c) a thorough grounding and the technical skills of accounting necessary to work as an accountant more efficiently and effectively.

Ability Required :
Specialised Knowledge & Skill

PRINCIPLES OF ACCOUNTING

(2 Papers - 100 marks each)

Paper - (1)

Weightage	Contents
20%	1. Introduction Definition and purpose of book-keeping and accounting; principles, concepts and conventions underlying accounting statements; the accounting equation; users of accounting statements and their information requirements; role and place of accountant in the management.
40%	2. Accounting Procedures and Systems Double entry book-keeping and accounting: forms and contents of accounting records (manual and computerized); books of original entry, journal; sales & purchase journals; cash book; general ledger; trial balance; classification of expenditure between capital and revenue; accruals, prepayments and adjustments; correction of errors.
30%	3. Financial Statements Income statement, balance sheet, work sheet, retained earnings of manufacturing and non-manufacturing concerns; income

and expenditure accounts and balance sheets of non-profit making organizations.

- 10%** **4. Computer Based Accounting System**
Computer application in accounting; advantages of computer based systems; internal controls in computer.

Paper (II)

- 20%** **1. Cash Control**
Control of receipts and payments; voucher system; petty cash systems; bank reconciliation statement & adjusting entries.

- 20%** **2. Inventory Accounting**
Nature and classes of inventories; inventory valuation; LIFO and FIFO methods; weighted average methods; inventory valuation at cost or market whichever is lower; gross profit method; retail inventory method; perpetual inventory & periodic inventory system.

- 10%** **3. Plant & Equipment**
Plant & Equipment-Acquisition, use, Retirement & Revaluation: Nature of plant and equipment, composition, valuation, acquisition of plant and equipment; plant asset records; expenditure incurred during life time of plant and equipment items; establishment of allowance for repairs and parts replacements; Plant and equipment retirements; property damage or destruction, changes in cost and depreciation; revision in estimate of asset life; recording depreciation in accumulated depreciation; changes in depreciation resulting from addition, betterment, replacement; assets devaluation and appreciation; depreciation on asset appreciation.

- 10%** **4. Depreciation, Depletion and Amortization**
Nature of depreciation, depletion & amortization; factors in determining depreciation expenses; methods of depreciation i.e., straight-line method, service hours method, declining balance method, annuity method, productive output method, sum-of-the years digit (SYD) method; accounting for depletion and amortization.

- 15%** **5. Intangibles**
Nature of intangibles; valuation of intangibles; goodwill; valuation of goodwill; organisation costs.

- 15%** **6 Receivable and Payable**
 Nature of receivables and paybles; Accounts Receivables and Notes receivables; valuation of receivables; bases for estimating charge for bad debts; bad debts adjustment based on sales; bad debts adjustment based on receivables; notes and accounts payables; valuation of payables; accrued liabilities.
- 10%** **7. Payroll**
 Objectives of payroll Accounting; internal control over pay roll; payroll fraud, gross earnings of employees; computing gross earnings; payroll taxes and deductions; payroll journal.

Books Recommended

TITLE	AUTHORS	PUBLISHERS
Principles of Accounting	A.R. Khan	ICMAP

Additional Readings

1. Accounting	R. F. Meigs & W.B. Meigs	Mc Graw Hill
2. Principles of Accounting	Halkamp Imdicke & Smith	Richard D. Irwin
3. Lesson Notes	--	ICMAP

Objectives

To provide the students with a detailed knowledge of English Grammar and Composition to enable them to:

- a) understand, write and express in English language correctly and adequately;
- b) develop an efficient and effective use of the English language.

Ability Required:

Specialised Knowledge & Skill

ENGLISH GRAMMAR & COMPOSITION

(1 Paper - 100 marks)

Weightage**Contents****40%****1. Grammar**

Sentence structure; punctuation; the correct use of: i) Nouns & Pronouns ii) Verbs iii) Adverbs, iv) Articles, v) Objectives vi) Prepositions; Direct & Indirect Speech; Active & Passive Voice; words often confused and misused; pairs of words; prepositional combinations and verbal phrases; idiomatic expressions; phrases and clauses; simple, compound and complex sentences; analysis of complex and compound sentences; transformation of sentences; synthesis of sentences; uses of tenses; uses of shall, will, should, would, unless, until.

60%**2. Composition**

Essay writing; comprehension; precis writing.

Books Recommended

TITLE	AUTHOR	PUBLISHERS
1. Practical English Usage	M. Swan	English University, UK
2. Understanding & Using English Grammar	Betty Schranpfer Azar	Prentice Hall

Additional Readings

1. Technical Writing & Professional Communication for Non-native Speakers of English	Thomas N. Huckain & Laslie A. Olsen	Mc Graw Hill
2. English for Business	Ferrier & Maror	Open University, USA
3. Lesson Notes		ICMAP

Objectives

To provide the students with a detailed knowledge of business communication and report writing to enable them to:

- a) acquire practical and oral communication skill;
- b) use written communication skillfully in different business situation.

Ability Required:

Conceptual & Theoretical Knowledge & Skill.

BUSINESS COMMUNICATION AND REPORT WRITING

(1 Paper - 100 Marks)

Weightage	Contents
20%	1. Factors of Communication and Oral Communication Sender, message, channel and receiver; the choice of words; legal aspect of business communication. The need and importance of effective communication in business.
40%	2. Oral Communication Public speaking; leading and participation in conference; interviewing and listening; interpersonal communication; effective use of telephone.
40%	3. Written Communication Business letters writing principles; different types of business letters, memoranda, minutes, resolutions, cables, telexes, fax messages, circulars and advertisements; graphic presentation business report and process of report writing; minutes of meeting.

Books Recommended

TITLE	AUTHOR	PUBLISHER
1. Effective Business Communication	Herta A. Murphy & H. W. Hildebrandt	Mc Graw Hill
2. Communication for Business	Shirley Taylor	Pitman

Additional Readings

1. Model Business Letters	L. Gartside Revised By S. Taylor	ELBS
2. Principles of Business and Communication	Dulek & Fielden	ELBS
3. Lesson Notes		ICMAP

Objectives

To provide the students with a basic knowledge of theory and application of computer to enable them to carry out their accounting & report-writing jobs more efficiently.

Ability Required:

Specialized Knowledge & Skill.

COMPUTER

(1 Paper - 100 Marks)

Weightage	Contents
10%	1. Data Processing Cycle of Data Processing system; input of data; processing of data; output of information; preparation of data for input. Input; storage; control; computing processing; output.
20%	2. Hardware and software Hardware: Categories of computer; mainframe, mini computer, micro computer and personal computer (PC); backing storage device i.e., magnetic disc and magnetic tape, data entry devices, output devices, printers. Software: operating software; principles of programming; stored instructions and languages; control programmes; service programmes; applications of software.
10%	3. Programming and Communication Control of Data The stages involved in the preparation of a computer programmes. Data administration; data collection methods; control to preserve data; coding; data communication & network.
10%	4. Computer Files Purpose & type of computer files; storage media; files processing; access to files.
50%	5. Software Packages Wordprocessing; spreadsheets; database languages.

Books Recommended

TITLE	AUTHOR	PUBLISHER
1. Business Computer System & Applications	Alan I. Eliason Kent D. Kitts	John Wiley, USA

Additional Readings

1. Business Application Soft-Ware	Lon Ingalsbe	MacGraw Hill
2. Data Processing (Vol. I & II)	R.G. Anderson	Pitman
3. Recommended Packages Word Star 7.00 Lotus 123 3.1 and above FOX PRO 2.0 and above		ICMAP
4. Lesson Notes		ICMAP

2

Objectives

To provide the students with a basic knowledge of economic theories to enable them to:

a) understand the economic environment in which business and public organisations operate;

b) appreciate economic practices in country's economy and acquire correct knowledge of Government fiscal and monetary policy with its effects on business environment.

Ability Required:

General Appreciation

ECONOMIC AND BUSINESS ENVIRONMENT

(1 Paper - 100 Marks)

Weightage**Contents****SECTION - A (60 Marks)****10%****1. The Nature, Scope of Economics:**

Economics as a social science; fundamental concepts; scarcity and choice; production, distribution and consumption; natural resources, labour, capital & enterprise business and public structure in a mixed economy; the function of the entrepreneur; the nature of profit; the location of industry.

10%**2. The Market, Production, Costs and Market Structures**

Price, Cost and Output and the role of the market, supply and demand; utility, individual demand & market demand, elasticities; the regulation of markets: market failure, externalities. Production and costs: cost of supply in the short and long run; total average and marginal cost; diminishing returns; economies of scale, key characteristics of perfect competition; monopoly, monopolistic competition and oligopoly;

10%**3. National Income Analysis, Money and Banking**

National Income accounting; the measurement of national income; the origins, nature and functions of money; the

banking system; the role of central bank; the role of the major classes of financial intermediaries.

10% **4. Economic Goals, Fiscal Policy and Monetary Policy**
Economic Goals: full employment; economic growth; price stability; balance of payment equilibrium; economic security; economic freedom. Fiscal Policy: the economic role of government monetary policy relative effectiveness of fiscal and monetary policy.

10% **5. Inflation and Unemployment**
Relationship between inflation and unemployment; the philips curve; demand-pull, and cost-push theories.

10% **6. International Trade and Finance**
Principle of comparative advantage; the mechanism of foreign exchange and trade; exchange rates; import controls and protective tariffs; international trade in developing countries.

SECTION (B) Economic & Business Environment in Pakistan (40 marks)

10% **1. Pakistan Economics Problems and Developments**
Pakistan economic system; evaluation of the present economic system; different sectors of the Pakistan Economy i.e. agriculture, industrial, business etc.

20% **2. Current Economic Policies and Trends**
Agriculture, industrial (Privatisation, deregulation, market economy), monetary, fiscal, budgetary, foreign trade, wages, income, prices. Income, savings and investment; the growth factors-the agriculture situation; industrial situation-foreign trade and payment position-money credit, finance and prices.

10% **3. National Economic Planning**
5 Years Plan i) A brief update the history of 5 Years Plan ii) current 5 Years Plan in detail; the private and public sectors of the economy; money and Capital Markets; the role of Public Sector.

Books Recommended

TITLE	AUTHOR	PUBLISHERS
1. Economics	P.A. Samuelson L.D. Nordhaus	Mc Graw Hill
2. Fundamental of Pakistan Economics	Muzaffar Hussain Malalvi	Farooq Kitab Ghar, Karachi

Additional Readings

1. Economics	P.A. Samuelson	McGraw Hill
2. A text of Economics	J.L. Hanson	Pitman
3. Economics	D. Begg S. Fischer R. Dornbusch	McGraw Hill
4. Management of Pakistan's Economy	Rashid Anjad & Waqar Ahmed	Oxford Printing Press
5. Economic Survey		Govt. of Pakistan, Finance Division, Economic Advisory Wing, Islamabad
6. Lesson Notes		ICMAP

Objectives:

To provide the students with a detailed knowledge of accounting principles, concepts, techniques and their application to develop an ability and skill to prepare financial statements of different concerns.

Ability Required:

Professional Knowledge & Skill.

FINANCIAL ACCOUNTING

(1 Paper - 100 Marks)

Weightage	Contents
10%	<p>1. The Accounting Profession</p> <p>The role of International Accounting Standard Committee; the standard setting process in Pakistan; the impact of International Accounting Standards on financial statements.</p>
10%	<p>2. Incomplete Records</p> <p>Preparation of accounts from incomplete records; methods of ascertaining profit under single entry.</p>
10%	<p>3. Accounts of Partnership</p> <p>Incoming partners; admission of a partner; retirement of a partner; death of a partner; amalgamation of firms; dissolution of firms; conversion of a partnership into limited co.; joint venture; final accounts partnership.</p>
10%	<p>4 Branch Accounting</p> <p>Operation of a branch; accounting systems for branches; preparation of branch and head office statements, reciprocal accounts; inter-branch cash and merchandise transfer; preparation of combined statements for head office and branches; working papers for combined statements.</p>
10%	<p>5. Accounting for Instalment Sales, Hire Purchase and Leases</p> <p>Importance of Instalment sales; income recognition in instalment sales; entries for sale of merchandise on instalment basis; procedures for calculating Realized Gross Profit; trade-instalments, defaults and repossessions.</p>

Hire purchase: Definition, difference between hire purchase and instalment sale, accounting entries in the books of hirer and owner.

Accounting for leases: Definition, accounting for operating and capital leases - complications in lease accounting.

- 10% **6. Consignments**
Nature and operation of the consignment; accounting for the completed consignment; accounting for an incomplete consignment.
- 10% **7. Preparation and Presentation of Financial Statement According to Local Laws and International Accounting Standard**
Form and contents of the balance Sheet; form and contents of the Income Statement; preparation of Balance Sheet and Income Statement after taking into consideration various year-end adjustments.
- 10% **8. Accounting Treatment of Investment**
Short term or temporary investments; long-term investments; investments in Shares; investments in Debentures and Bonds; investments in Funds.
- 10% **9. Long Term Liabilities**
Nature of long term liabilities; debenture payable; recording the debenture issue; debenture interest payments; premium and Discount Amortization procedures; accounting for debenture payable; debenture requisition prior to maturity; debenture retirement at maturity; debenture conversion; debenture refunding; deferred revenue/Redeemable capital; TFC/PTC.
- 10% **10. Capital Upon Company Formation and Retained Earnings**
Nature of share capital; stated value of share; par share; recording issuance of shares; issue of shares at a premium; issue of shares at a discount; issue of shares for consideration other than cash; issuance of shares in exchange for business; shares splits/consolidation; shares conversions; shares rights and options. Retained Earnings: nature of retained earnings; source of retained earnings; dividends; retained earnings appropriation; appropriations relating to debenture redemption; appropriations for possible future losses.

Books Recommended

TITLE	AUTHOR	PUBLISHER
1. Intermediate Accounting	Chasteen Flaherty O' Connor	John Wiley
2. Advanced Accounting	Simons and Karrenbrock	South Western Publishing Co.

Additional Readings

1. Financial Accounting	Shousen Laragenderfer and Albrecht	South Western Publishing Co.
2. Intermediate Accounting	Simons & Karrenbrock	South Western Publishing Co.
3. International Accounting Standards		IASC, IFAC
4. Advanced Accounting	R.L. Gupta & M. Radhaswamy	Sultan Chand & Sons
5. Lesson Notes		ICMAP

Objectives

To provide the students with an in-depth knowledge of Cost Accounting concepts, principles and methods to develop an ability and skill to prepare and analyse cost accounting data to meet the requirements of different manufacturing concerns.

Ability Required:

Specialised Knowledge & Skill.

COST ACCOUNTING

(1 Paper of 100 Marks)

Weightage	Contents
10%	<p>1. Introduction to Cost Accounting: Nature of cost accounting; objectives and benefits of cost accounting; functions of cost accounting; relationship of cost accounting with financial accounting; cost accounting as part of a management information system.</p>
10%	<p>2. Designing, Installation and Operation of Cost Systems Concept of cost units, cost centers and profit centers, introduction to different costing methods.</p>
10%	<p>3. Cost Behavior Linear, curve-linear and step functions; factors influencing cost behaviour.</p>
10%	<p>4. Cost Classification Nature and function; direct and indirect; fixed and variable; period and product; controllable and uncontrollable; avoidable and unavoidable; standard/budget and actual.</p>
10%	<p>5. Cost Book-keeping Principles of double entry; use of journal; integrated and non-integrated system, activity based costing principles, use of activity based costing for alternative product costing.</p>

Intermediate Group A

- 10%** **6. Materials Control Procedure and Costing Methods**
Procedures of materials procurement and use; materials costing methods; cost of materials in inventory at the end of a period; costing procedures for scrap, spoiled goods and defective work.
- 10%** **7. Quantitative Models for Materials Planning and Control**
Planning materials requirements; fixation of maximum, minimum and ordering levels (EOQ).
- 10%** **8. Control and Accounting for Labour Costs**
Labour remuneration methods; direct and indirect labour; measures of labour efficiency together with analyses of non-productive time and its cost procedures for labour costing; computerized payroll procedures.
- 10%** **9. Control and Accounting for Factory Overhead Costs**
Nature, classification of collection of overheads, overhead allocation, departmentalization and absorption, treatment of under-and-over-absorption; overhead responsibility accounting and reporting.
- 10%** **10. Use of Relevant Opportunity and Notional Costs**

Books Recommended

TITLE	AUTHOR	PUBLISHER
1. Cost Accounting (Vol I)	A.R. Khan	ICMAP
2. Cost Accounting	Matz & Usry	South Western Publishing Co.

Additional Readings

1. Cost Accounting	E.B. Deakin, M.W. Moher	Irwin
2. Costing, An Introduction	C. Drury	Van Nostrand Reinhold
3. Lesson Notes		ICMAP

Objectives

To provide the students with a knowledge of the provisions of various commercial and Industrial Laws:

a) to enable them to use the knowledge of laws in formulating various plans leading to operational and long term decisions;

b) to advise the management about the financial and other implications of these laws on the organizations present and future operations.

Ability Required:

Conceptual & Theoretical Knowledge

INDUSTRIAL AND COMMERCIAL LAW

(* Paper - 100 Marks)

SECTION (A)**INDUSTRIAL LAWS (50 MARKS)**

Weightage	Contents
10%	<p>1. Factories Act 1934/workman's Compensation Act 1923</p> <p>Provisions regarding health and safety; working hours including rest intervals, working holidays and overtime; employment of women and children etc. Workman's compensation Act 1923: Provisions regarding definitions; employers' liability for compensation, amount of compensation; methods of calculating wages; review, commutation and distribution of compensation, report of fatal accidents; and medical examination etc.</p>
5%	<p>2. Payment of Wages Act 1936/provincial Employees' Social Security Ordinance 1965</p> <p>Provisions regarding, definitions; responsibility for payment of wages; wage Period and term of payment, deductions and fines; claims for unpaid wages etc. Provincial Social Security Ordinance</p>

1965: Provisions regarding definitions; amount and payment of contributions; records and returns; benefits including sickness and maternity benefits, death grants; disablement pension etc.

10% 3. Industrial and Commercial Employment (Standing Orders Ord. 1968)

Provisions regarding definitions, enforcement and modification of Standing Orders: Schedule of Standing Orders covering orders on working terms, holidays, attendance, leave, group insurance, bonus, stoppage of work, termination of employment, retrenchment and re-employment of retrenched workers.

15% 4. Industrial Relations Ordinance 1969

Provisions regarding registration of trade unions; unfair labour practices; collective bargaining agents, shop standard and management board; works council; conciliation process; strikes and lockouts etc.

10% 5. Employees Old Age Benefits Act 1976/ Companies Profit (Workers' Participation) Act 1968/workers' Welfare Fund Ordinance 1971)

Provisions regarding rates of contributions; records and returns, benefits calculation of qualifying contribution period etc. Companies Profit (Workers Participation) Act 1968: Provisions regarding definitions, establishment of the fund, management of the fund and the schedule of the Act containing the scheme. Workers' Welfare Fund Ordinance 1971: Provisions regarding definitions; constitution of the fund, mode of contribution, liability for payments; and application of the money in the fund etc.

SECTION (B)

COMMERCIAL LAWS (50 MARKS)

15% 1. Contract Act 1872

Communication and Acceptance of payments; void and voidable contracts, contingent contract; performance of contracts, consequence of breach of contract; indemnification and guarantees, bailment, agency etc.

10% 2. Sale of Goods Act 1930

Definitions formation of the contract of sale; effects of the contract; performance of the contract, rights of unpaid seller, suits for breach of contract etc.

15%

3. Partnership Act 1934

Definition, the nature of partnership, solution between the partners; relation to third parties, incoming and outgoing partners, dissolution of a firm; registration of firms etc.

10%

4. Negotiable Instruments Act 1881

Negotiable instruments, inland and foreign instrument, Promissory Note, Bill of Exchange, Cheques, hundies parties to the instruments, liability of workers, holder in due course, negotiation.

Books Recommended

TITLE	AUTHOR	PUBLISHER
1. A Manual of Mercantile Laws	Hashmi & Rafique Ahmed	Orient Publication, Karachi

Additional Readings

1. Mercantile Laws in Pakistan	Dr. Kh. Anjad Saeed	Accounting & Taxtion Service Lahore
2. Labour Law in Pakistan	M. Shafi	Bureau of Labour Publication, Karachi
3. Bare Acts	Govt. of Pakistan	Manager Publication Govt. of Pak. Karachi
4. Mercantile Law	Luqman Baig	Ghazanffar Academy, Karachi

Objectives

To provide the students with the basic knowledge of quantitative techniques comprising statistical and mathematical analysis to enable them to:

- a) Use the statistical and mathematical methods and interpret their results, and
- b) Present the result of quantitative nature in a suitable form for taking effective business decisions.

Ability Required:

General Appreciation

QUANTITATIVE TECHNIQUES

(1 Paper - 100 Marks)

Weightage	Contents
10%	1. Statistical Data and Sampling Collection and presentation, graphs, charts and diagrams. Random sampling; modified random sampling, sampling distribution of the mean; standard error of the mean; small population sampling.
10%	2. Measure of Central Tendency and Index Numbers Statistical measures; mean, median and mode; quartiles, deciles and percentiles; range, mean deviation, standard deviation; relative dispersion; weighted index numbers; changing the base period; chain-base index numbers; deflating a series using the retail price index.
10%	3. Probability Distribution Meaning of probability; rules for calculating the probabilities; expected values; decision trees; permutations and combinations, normal binomial and poisson distributions, including their mean and standard deviation application to business problems.
10%	4. Regression and Correlation Scatter diagrams; linear relationship; least squares estimation of regression lines; correlation co-efficient of determination and its interpretation; time series; trend and moving average.

- 15%** **5. Matrix and Linear Programming**
 Addition and subtraction of matrices; multiplication of a matrix by a constant; multiplication of one matrix by another; identity matrix; inverse matrix; quadratic and simultaneous equations. Inequalities; graphical presentation of inequalities; graphical method for linear programming; simplex method; simplex method on maximization problems; simplex method on minimization problems.
- 10%** **6. Calculus**
 Differentiation; application of differentiation; integration; application of integration.
- 15%** **7. Financial Mathematics**
 Progressions; geometric progression; simple interest; compound interest; sinking funds; annuities, mortgage, terminal values, discounting including application to depreciation and investment analysis.
- 10%** **8. Inventory Control**
 Systems of inventory control; quantitative analysis of inventory control; economic order quantity.
- 10%** **9. Network Analysis:**
 Critical path analysis; gantt charts; analysis of the network; crashing program evaluation and network analysis; activity-on-arrow and activity-on-mode diagrams; probabilities network.

Books Recommended

TITLE	AUTHOR	PUBLISHER
1. Elements of statistics	Iqbal A. Bhatti	Bhatti Publisher, Jhelum
2. Business Maths.	M.M. Hasan and Ali Mirza	M.M. Hasan

Additional Readings

1. Introduction to Statistics	Ronald E. Walpole	Maxwell
2. Business Mathematics	L.W.T. Stafford	ELBS
3. Business Statistics (A Decision Making Approach)	D.F. Groebner	MacMillan Publisher
4. Introduction to Statistics	Sher Mohammad	Ilmi Kitab Ghar, Lahore
5. Applied Mathematics for Business Economic & Social Science	Frank S. Budrick	Mc Graw Hill

Objectives

To provide the students with an in-depth knowledge of accounting principles, concepts and techniques to enable them to:

- (a)** Select and apply appropriate accounting techniques and procedures to specific circumstances;
- (b)** Prepare financial statements of companies in accordance with the statutory requirements;
- (c)** Analyse and interpret accounting statements and comment on their compliance with statutory, professional and conventional requirements.

Ability Required: Professional Knowledge & Skill.

ADVANCED FINANCIAL ACCOUNTING

(1 Paper - 100 Marks)

Weightage**Contents**

- | | |
|------------|---|
| 10% | 1. Amalgamation, Absorption and Reconstruction
Recapitalisation of companies; reorganisation; reconstruction of companies; amalgamation of companies; amalgamation by forming a new company; amalgamation by absorption; amalgamation by forming a Holding Company. |
| 10% | 2 Liquidation of Companies
Legal provisions; meaning and statement features; order of payment; preferential payments; statement of affairs and deficiency/surplus account; liquidator's final statement of account. |
| 10% | 3. The Accounts of Groups of Companies
Preparation and presentation of consolidated Profit and Loss Account; consolidated Balance Sheet; consolidated source and application of funds statement. |

- 10%** **4. Accounts of Insurance Companies**
- 4.1 Life Insurance
Statutory requirements; revenue Account; annual accounts (Profit and loss account and Balance Sheet); determination of profit or loss.
- 4.2 General Insurance
Statutory requirements; revenue account; Additional reserve; annual accounts (profit and loss account and Balance Sheet); determination of profit or loss.
- 10%** **5. Accounts of Banks and Financial Institutions**
Legal provisions; accounts and books; final accounts.
- 10%** **6. Contract Accounts**
Work-in-progress: work certified and payment; work-in-progress uncertified; profit on incomplete contract; preparation of contract account, profit and loss account and balance sheet.
- 20%** **7. Analysis and Interpretation of Financial Statement**
Comparative Statements - horizontal analysis; comparative statement - vertical analysis; common-size statement; ratio analysis; interpretation of analysis.
- 10%** **8. Fund Flow and Cash Flow Analysis**
Meaning of Cash Flow Statement; preparation of Cash Flow Statement; difference between Fund Flow Analysis and Cash Flow Analysis; utility of Cash flow Analysis; cash Forecasts; meaning and uses of Fund Flow Statement; preparation of Fund Flow Statement; treatment of provision for taxation & propose dividend; statement changes in Financial Position.
- 10%** **9. Government Accounting**
- 9.1 System of Financial Administration in Pakistan;
- 9.2 Powers and duties of Auditor General of Pakistan;
- 9.3 Classification of Receipts and Expenditures;
- 9.4 Commercial v/s Government Accounting;
- 9.5 Functions and objects of Government Audit.

Books Recommended

TITLE	AUTHOR	PUBLISHER
1. Intermediate Accounting	A.N. Masich E. John Larsen	Mc Graw Hill
2. Advanced Accounting	Paul M. Fischer William J. Taylor J. Arthur Leer	South Western Publishing Co.

Additional Readings

1. Advanced Accounting (Vol. I & II)	S.N. Moheshwari	Vikas Publishing House
2. Advanced Accounting (Vol. I & II)	R.L. Gupta M. Radha Swamy	Sultan Chand & Sons
3. Advanced Accounting	R.C. Shukla T.S. Gre Wall	Sultan Chand & Sons
4. The Companies Ordinance, 1984		Karachi Law Publishers
5. Lesson Notes		ICMAP

Objectives

To provide the students with a detailed knowledge of tax laws to enable them to understand their implications in different business situation and apply them in decision making process of management.

Ability Required:

Specialised Knowledge & Skill.

TAXATION

(1 PAPER - 100 MARKS)

Weightage**Contents:**

- | | |
|------------|---|
| 30% | <p>1. Income Tax Law</p> <p>1.1 The Income Tax Ordinance 1979
Chapter I to XIV of the Income Tax Ordinance 1979 as amended upto date covering: Definitions; Administration; Charge of Tax; Computation of Total Income; Allowances and Reliefs; Payment of Tax Before Assessment; Assessment; Tax liability in Special Cases; Recovery of Tax; Refund and Tax Credit; Penalties; Offences and Prosecution; Appeals and Revision and the schedules to the Ordinance.</p> |
| 30% | <p>1.2 The Income Tax Rules 1982
Part I, II, III, IV, V, X and XI of the Income Tax Rules 1982 covering: Definitions; Determination of Income; Accounting Methods; Tax Exemptions and Tax Credit; Deduction of Tax at Source; Procedure and Statements; Prescribed Forms and Statements and Miscellaneous.</p> |
| 10% | <p>2. Other Tax Laws</p> <p>2.1 The Wealth Tax Act 1963
Chapter I, II, III, IV, and V of the Wealth Tax Act 1963 as amended upto date covering: Definitions; Charge of Wealth Tax; Wealth Tax Authorities; Payment of Tax Before Assessment; Assessment; Appeals; Revisions and References.</p> |

- 10%** **2.2 The Sales Tax Act 1990**
Chapter No. I, II, III, IV, V and VII of the Act as amended upto date covering: Definitions; Scope and Payment of Tax; Registrations; Book keeping and Invoicing Requirements; Returns and Adjudication of Cases.
- 10%** **2.3 Customs Act 1969**
Chapter V, VI, X, XI, XVII and XIX of Customs Act 1969 as amended upto date covering: Levy of, Exemption from and Repayment of Custom Duties; Drawback; Clearance of Goods for Home Consumption; Warehousing; Offences and Penalties and Appeals & Revisions.
- 10%** **2.4 Central Excise and Salt Act 1944 and Rules**
Sections 2, 3, 3A, 3B, 4, 9, 12A, 33, 35, 35A and 36 of the Act as amended upto date covering: Definitions; Duties to be Levied; Regulatory Duty; Goods Partially Composed of dutiable Articles; Determination of Value for the purposes of Duty; Applications of Customs Act to Central Excise Duties; Exemptions; Offences and Penalties; Powers of Adjudication; Appeals and Revision. Rules No. 7, 9, 10, 11, 12, and 12A of the Central Excise rules 1994 regarding levy and refund of and exemption from duty.

Book Recommended

TITLE	AUTHOR	PUBLISHER
1. Income Tax Law with Practical Problems	Dr. Kh. Anjlad Saeed	Accountancy & Taxation Service Institute, Lahore
2. Complete Income Tax Law	S.A. Salam	S.A. Salam Pub. (Pvt.) Ltd., Lahore
3. Income Tax Law & Practical Problems	Lugman Baig	Gazanffar Academy Karachi

Additional Readings

1. Bare Acts & Rules	Govt. of Pakistan	Manager Publition Govt. of Pakistan
2. Customs Act 1969	Najib A. Chaudhry	Tariq Najib Corp., Lahore
3. Sales Tax Act 1990	Tariq Najib	Tariq Najid Corp. Lahore
4. Manual of Central Excise Law	Tariq Najib	Tariq Najib Cop. Lahore
5. The Law of Wealth Tax in Pakistan	S.A. Raza Naqvi	Taxation House, Lahore
6. Lesson Notes		ICMAP

Objectives

To Provide the students with a detailed knowledge of the methods and techniques of production process and allied matters to enable them to:

- a) Control and improve the efficiency of production department of an organisation;
- b) Advise the management regarding effective use of resources.

Ability Required:

General Appreciation.

PRODUCTION TECHNOLOGY & PLANT MANAGEMENT

(1 Paper 100 Marks)

SECTION (A)**PRODUCTION TECHNOLOGY (50 MARKS)**

Weightage	Contents
10%	1. Principles of motion, speed, velocity, acceleration, retardation, gravitation and units of measurements.
10%	2. Simple Machines including levers, wheels, pulleys, gears, etc. Energy conservation.
10%	3. Energy generation including steam engines, boilers, internal combustion engine, generators, turbines, etc.,
10%	4. Power distribution; single vs. three phases, high and low traction, transformers, power factors plants, motors, conductors, A.C. and D.C.
10%	5. Metals; ferrous and non ferrous, foundry processes; workshop machine including lathe machines, milling, cutting, turning and shaping machines, boring and drilling machines, soldering, welding and electroplating machines.

SECTION (B)**PLANT MANAGEMENT (50 MARKS)**

- | | |
|-----|--|
| 10% | 1. Plant location and layout; buildings: types, design and construction lighting and ventilation; air-conditioning and |
|-----|--|

- humidification.
- 10% 2. Material flow layout; material storing, handling and inventory control.
 - 10% 3. Work measurement including time and motion study; remuneration policy - wage incentive plans.
 - 10% 4. Production planning and quality control.
 - 10% 5. Pollution and environment control.

Books Recommended

TITLE	AUTHOR	PUBLISHER
1. Power Economy	Todman	Pitman, London
2. Production Management	K. Lockyer	ELBS

Additional Reading

1. Essentials of Production & Operations Managements	Ray Wild	Prentice Hall
2. Business & Factory Management	Bannerjee	Pitman
3. Manufacturing Process	Begeman	John Wiley
4. Computer Integrated Manufacturing Hand Book	E. Teicholz J.N. Orr	Mc Graw Hill

Objectives

To provide the students with a detailed knowledge of corporate Laws and Secretarial Practice to enable them to:

(a) carryout secretarial work more effectively;

(b) advise and assist management in taking decisions for complying with various statutory requirements.

Ability Required: Specialised Knowledge & Skill.

CORPORATE LAWS AND SECRETARIAL PRACTICE

(1 Paper - 100 Marks)

SECTION (A)

CORPORATE LAWS (60 MARKS)

Weightage	Contents
15%	<p>1. The Companies Ordinance 1984</p> <p>The Ordinance as amended upto date together with all schedules; the Companies (General Rules and Forms) Rules 1985 and other rules which may be issued from time to time.</p>
15%	<p>2. The Securities and Exchange Ordinance 1969</p> <p>The Ordinance as amended upto date with the Securities and Exchange Rules 1971; the Investment Companies and Investment Advisors Rules 1971 and Listing Rules of Stock Exchange. Asset Management Rules.</p>
10%	<p>3. The Monopolies and Restrictive Trade Practices Ordinance 1980</p> <p>The ordinance as amended from time to time together with the Monopoly Control Authority Rules 1971, including the rules regarding registration under section 16, Net-worth of stocks and shares, value of assets and other rules as may be issued.</p>

- 10% 4. **The Modaraba Companies and Modaraba (Floatation and Control) Ordinance 1979**
The ordinance as ammended uptodate with the Modaraba Companies and Modaraba Rules 1981 and other rules as may be issued from time to time.
- 10% 5 **Other Laws**
The Capital issues (continuance of control) Act 1947 together with the Capital Issues (Exemption) Ordinance 1967.
The Companies (appointment of legal Advisors) Act 1974 and rules framed thereunder.

SECTION (B)

SECRETARIAL PRACTICE (40 MARKS)

- 10% 1. Appointment of Secretary, functions, appointments, qualifications, functions and legal position of Secretary.
- 10% 2. Memorandum and Articles of Association, Prospectus, understanding of public issues, listing stock exchanges, issuance of share application and allotment of shares, letter of regret, Shares warrants and share certificates, issue and redemption of debentures, transfer, transmission of shares.
- 10% 3. Company and director's meeting, notices, agenda, quorum voting, poll, proxies, resolutions, minutes and reports.
- 10% 4. Books of account and financial reports, audit and investigation, divisible profit, dividend and divided warrant, issue of bonus and right shares, filling of returns.

Books Recommended

TITLE	AUTHOR	PUBLISHER
1. Company Law in Pakistan	A.G. Choudhary	Pakistan Publishing House Karachi
2. Company Law	Luqman Baig	Ghazanfar Academy
3. Company Law	Shaukat Mehmood	Legal Research Centre, Lahore

Additional Readings

1. Bare Acts	Govt. of Pakistan	Manager Publication Govt. of Pakistan Karachi
2. Company Law in Pakistan	I.A. Sheikh	Mansoor Book House, Lahore
3. Manual of Secretarial Practice	B.H. Tandon	S. Chand & Sons
4. Duties of Company Secretary	G. Nizamuddin	ICSP
5. Filing Requirements under the Companies Ordinance 1984 & Rules 1985	G. Nizamuddin	ICSP
6. Administration of Company	G. Nizamuddin	ICSP
7. Secretarial Practice	Shukla & Gulshan	S. Chand & Sons
8. Secretarial Practice	Jain	Konark Publisher (Pvt) Ltd.
9. Corporate Law Handbook Vol. I & II	Luqman Baig	Ghazanfar Academy, Karachi
10 Capital Issues Act	Luqman Baig	Ghazanfar Academy Karachi

Objectives

To provide the students with an indepth knowledge of Management Accounting to enable them to:

a) apply its methods and techniques for preparing and presenting information for management decision making and control purposes;

(b) formulate strategic plans for achieving efficiency and effectiveness of the operation of the business.

Ability Required:

Professional Knowledge & Skill

MANAGEMENT ACCOUNTING

(1 Paper - 100 Marks)

Weightage	Contents
10%	1. Conceptual Review 1.1 Management Accounting as an internal information system to assist management in running efficient, effective, profitable and expanding business. 1.2 The role of the management accountant: information provider; liaison and team work with professionals from other disciplines, e.g. sales, product and design.
20%	2. Analysis of Costs and Profits 2.1 Break-even and cost volume profit analysis: Nature and use of break-even; cost volume profit analysis; fallacy of full cost analysis; 2.2 Differential cost and comparative cost analysis; 2.3 Linear programming for planning and decision makings: Linear programming; maximising of contribution margin; linear programming and minimisation of cost; Sensitivity analysis; linear programming techniques;

10%	2.4	Capital expenditure planning: evaluation, control and planning for capital expenditures; evaluating capital expenditure; controlling capital expenditures, probability analysis; non-normal probability distributions; use of probabilities in strategy analysis;
10%	2.5	Marketing cost and profitability analysis: Comparison of marketing and manufacturing costs; marketing cost control; marketing profitability analysis; contribution margin approach;
10%	2.6	Profit performance measurements: intra-company transfer pricing, product pricing methods; rate of return on capital employed; inter-company transfer pricing; product pricing methods.
20%	3. Evaluating Performance and Business Valuation	The use of ratios; inter-firm comparison; valuation techniques; assets based, earnings based, combined methods and cash flow methods.
20%	4. Analysis of Cost for Managerial Decisions	Make or buy; sell or process further; adding or dropping products; plant shut down; equipment replacement; cost reduction and value analysis; uncertainty and risk analysis; inventory management including just-in-time; total quality management; optimisation of product mix; plant location and expansion; product line, territory channel, size for order; product development.

Books Recommended

TITLE	AUTHOR	PUBLISHER
1. Cost Accounting Planning and Control	Matz & Uzry	South Western Publishing Co.
2. Cost Accounting (Vol. II)	A.R. Khan	ICMAP

Additional Readings

1. Fundamentals of Management Accounting	R.N. Anthony G.A. Welsh	Richard D. Irwin
2. Management Accounting	Hargren	Prentice Hall
3. Management Accounting & Finance	J.L. Brown L.R. Howard	McDonald & Evan
4. Managerial Accounting	Jack L. Smith Robert M. Keith William L. Stephens	Longman
5. Lesson Notes		ICMAP

Objectives

To provide the students with an indepth knowledge of an advanced approach of Cost Accounting to enable them to apply costing methods and techniques to assist management for taking appropriate decision.

Ability Required:

Professional Knowledge & Skill

ADVANCED COST ACCOUNTING

(1 Paper - 100 Marks)

Weightage	Contents
10%	1. Costing Methods 1.1 Job, batch and contract costing: Characteristics of different methods; direct and indirect costs including treatment of waste, scrap and rectification; profit identification in contract costing;
15%	1.2 Process Costing: applications; Identification of cost units; valuation of process transfers and work in process using equivalent production, FIFO and average pricing methods; treatment of normal/abnormal losses and gains; joint and by-product costing;
10%	1.3 Operation/Service Costing: applications; identification of Cost Units; Special considerations relating to the collection, classification and ascertainment of costs.
20%	2. Budgeting Profit, sales, costs and expense; profit planning, principles of budgeting, complete periodic budget, budgeted income statement, capital expenditure budget, research and development budget, cash budget, budgeted balance sheet, computerized budgeting, PERT/Cost-systems for planning and control, zero base budgeting, probabilistic budgets, flexible-budget for planning and control.
20%	3. Standard Costing Comparison of budgets and standards, definition and purpose of standard costs; setting standards; materials, labour, and

factory over head variances; Interpretation of variances; planning and operational variances; standard costing methods; Standard Costing Accounting procedures for materials, labour, FOH and completed products, journal entries for mix and yield variances; variances control and responsibility; disposition of variances; revision of standard costs.

15%

4. Gross Profit Analysis/Direct Costing

Causes of Gross Profit analysis; sales volume analysis; uses of Gross Profit analysis. Direct Costing: Definition of direct costing; forces of direct costing; internal and external uses of direct costing; comparison of direct costing with absorption costing.

10%

5. Uniform Cost Accounting. Designing and installing costing system and cost reports.

Books Recommended

TITLE	AUTHOR	PUBLISHER
1. Cost Accounting	Matz & Usry	South Western Publishing Co.
2. Cost Accounting Vol (II)	A.R. Khan	ICMAP

Additional Readings

1. Cost Accounting	Horngren	Prentice Hall
2. Cost Accounting & Cost Methods	H.J. Wheldon	ELBS
3. Management Accounting	J. Batty	Mc Donald & Evan
4. Cost and Management Accounting	G. Brown	Longman
5. Cost & Management Accounting	Joseph & Baggott	Butterworth & Co Publisher Ltd.
6. Lesson Notes		ICMAP

Objectives

To Provide the students with a detailed knowledge of theory and practice of auditing including Cost Auditing Records of all kinds of entities in accordance with the legal and professional requirements of auditing.

Ability Required:

Specialised Knowledge & Skill

AUDITING

(1 Paper - 100 Marks)

Weightage	Contents
5%	<p>1. Nature and Purpose of Auditing</p> <p>Nature, definition, objection and scope of an audit; types of audit; relationship between internal and external audit; audit evidence.</p>
10%	<p>2. Auditor's Professional and Statutory Requirements</p> <p>Appointment, Remuneration, Resignations, Removal, Power and Duties, Qualification and disqualification etc., of Auditors under/companies ordinance, 1984; appointment of Auditors under section 32(A) of the Income Tax Ordinance, 1979; investigations and appointment of Inspectors under Companies Ordinance, 1984; International Auditing Standards and guide lines; statements of Standards Accounting and Auditing Practices and Technical Releases issued by ICMAP and the Institute of Chartered Accountants of Pakistan; professional Ethics.</p>
10%	<p>3. Audit Planning and Control</p> <p>Review of the client's business and accounting requirements, systems and procedures; setting objectives; preparation and review of audit programmes and related documentation; allocation and supervision of work and responsibilities; audit working papers; monitoring of time, progress and costs.</p>

- 10%** **4. Internal Controls**
 Definition, meaning, objectives, types, principles and techniques of internal control; limitation on the effectiveness of internal control; evaluation of internal controls and accounting systems; impact of internal controls and audit work; reliance on internal audit by external auditor. Internal control in an EDP environment.
- 10%** **5. Audit Procedures**
 Inspection Review of examining records, documents, tangible assets; observation of operation or procedures; computation; Checking arithmetical accuracy of records; enquiry; seeking relevant information for inside or outside sources; sampling techniques; and appreciation of various methods; compliance testing of internal control procedures; substantive testing of transactions, balances; analytical review procedures i.e., study of significant ratios, trends and other statistics; computer assisted audit techniques.
- 5%** **6. Review of Financial Statement**
 Overall review of financial statements covering accounting policies and their consistency and compliance, compatibility of results of operations, adequacy of disclosure and methods of presentation, compliance with statutory provisions etc.
- 5%** **7. Verification of Revenue, Expenses Assets, Liabilities and Owner's Equity.**
- 5%** **8. Audit Report; Qualified, Unqualified and Contents of the Report.**
- 20%** **9. Cost Audit**
 Nature, objects and scope of cost audit; cost audit as required under section 258 of the Companies Ordinance, 1984; rights, duties, responsibilities and status of cost auditor as compared to financial auditor, provisions of Cost Accounting Record Rules issued by the Corporate Law Authority under section 230 (l) (e) of the Companies Ordinance, 1984 as amended from time to time; Audit and Verification of cost accounting records and reports maintained under section 230 (i) (e) of the Companies Ordinance, 1984, as amended from time to time; provisions of cost audit report rules under Indian Company Law; planning the cost audit - familiarity with the production process, systems and procedure of differ-

ent industries - preparation of the audit programme, cost audit report.

20% 10. Internal Auditing

Nature, scope and importance of internal audit; duties and responsibilities of internal auditor; internal audit programme and working papers; techniques and procedures of internal auditing; internal audit report - technique of effective reporting; internal audit as an aid to Management; organization of the Internal Auditing function, selection and training of staff assignment of audit tasks-organisational status of the Internal Auditing functions; verification of evidence, detailed checking versus sampling plans.

Books Recommended

TITLE	AUTHOR	PUBLISHER
1. Auditing, Principles and Practice.	F. Clive Depaula F.A. Attwood	Pitman
2. Auditing	Kh. Amjad Saeed	Accountancy and Taxation Services Institute, Lahore
3. Bigg & Davies Internal Auditing	E.H. Woolf	HFL (Publishers Ltd.)
4. Guidelines on Cost Audit		ICWAI
5. Cost Audit in different Industries		ICWAI
6. Guide to Cost Audit		ICAI

Additional Readings

1. Practical Auditing	Spicer and Peglar	Butterworth and Co. (Publisher)
2. How a Company should plan for cost audit.	J.P. Beery	The Cost and Management Consultancy Bureau.
3. EDP Auditing Conceptual Foundation and Practice	Ron Weber	McGraw Hill
4. Lesson Notes		ICMAP

Objectives

To provide the students with a detailed knowledge of business organisation and management to enable them to:

- a) apply theoretical approach to working in various types of organization;
- b) control functions of management at all levels more effectively.

Ability Required:
Detailed Knowledge

MANAGEMENT

(1 Paper - 100 Marks)

Weightage	Contents
10%	1. The nature and function of management: Objectives and constraints and the classical approach of management; managerial environment.
15%	2. Planning: Nature, objectives, types and steps, policy, and decision making.
30%	3. Organizing: Nature and purpose of Organizing, grouping and departmentation, line and staff authority relationships, delegation of authority.
15%	4. Staffing: The selection process of new entrants; appraisal, training and development of managers.
15%	5. Leading: Managing and the Human factor; motivation and leadership and management style.
15%	6. Controlling: Methods, techniques and process of control; control of overall performance; Indirect control.

Books Recommended

TITLE	AUTHOR	PUBLISHER
1. Management (8th Edition)	H. Koontz, C.O' Donnel, H. Weihrich	MacGraw Hill
2. Management	Robert Kreitener	Houghton Mifflin Co.

Additional Readings

1. Principles and Practice of Management.	Shyamal Banerjee	Oxford & IBM Publishing Bombay
2. Lesson Notes		ICMAP

Objectives

To provide the students with an in-depth knowledge of methods and techniques of Financial Management for developing their skill and ability to enable them to:

(a) evaluate the alternative sources and uses of finance for maximising profitability and effectiveness;

(b) select and apply the most suitable financial management techniques for taking appropriate financial management decisions.

Ability Required: Professional Knowledge & Skill

FINANCIAL MANAGEMENT

(1 Paper - 100 Marks)

Weightage Content

10%	<p>1. Financial Objectives</p> <p>The theory business finance; relationship between financial and other objectives; shareholders, management and other interested groups; the need for finance; the need for profit; profit and cash flow; the role of the financial manager.</p>
10%	<p>2. Financial Institutions</p> <p>Capital markets; public companies; the Stock Exchange; merchant Banks; DFIs; Government finance and assistance.</p>
10%	<p>3. Sources of Finance</p> <p>Sources of funds; internal and external sources of funds; long term, medium term and short term sources; bank credit; trade credit; hire purchase; leasing.</p>
20%	<p>4. The Management of Working Capital</p> <p>4.1 General</p> <p>Working capital requirements; short term financial ratio; working capital and the operating cycle;</p>

4.2 Cash Management

solvency and liquidity; cash flow statement and cash budgets; cash flow forecasting; uncertainty in cash forecasting; short term investment opportunities; cash handling and transmissions;

4.3 Credit Management

Risk, term of sale, debt collection and credit policy; Credit management as an application of capital budgeting;

4.4 Inventory Management

Cost associated with the acquisition and holding of inventories; the derivation and use of basis for inventory control models; Economic order quantity stock model; financial ratios of inventory; unit costs, lead time, buffer stocks; perpetual inventory and continuous stock taking.

20%

5. The Investment Decisions

Methods of investment appraisal; capital budgeting techniques, including discounted cash flow, discount rate, risk and uncertainty, sensitivity analysis; portfolio theory; capital rationing situations; project ranking; inflation; lease versus buy decisions; financial planning & corporate models external growth and divestment strategies; amalgamations; mergers and take overs; valuation of listed and unlisted companies; preparation of report for top level decision making.

10%

6. The Cost of Capital and Capital Structure

Capital markets: New issues; right issues; loan capital; retained earning; dividend policy and share values; international money and capital markets; venture capital; The cost of different sources of finance: i) equity finance; retained profit, new issue; ii) debt finance and gearing; debenture, convertibles; iii) other financial instruments. The cost of capital: i) Weighted average cost of capital ii) the effect of capital structure iii) Portfolio theory and beta as a measure of risk iv) The capital asset pricing model. Scheme of capitalization and Financial Re-structuring; Debt, equity, right issue, tenders, term loans.

10%

7. The Problems of Small Businesses

Special financial problems of the small firms; availability of facilities; special schemes.

10%

8. Risk Management

The concept of Risk, The meaning of Business Risk, Integrating Insurance into the Profit Planning function, Decision Making in the Area of Risk Management, Business interruption insurance, Business Risks Associated with Death, The risk factor in Ac-

counts Receivable, The amount of coverage, Primary loss, collection and settlement.

Books Recommended

TITLE	AUTHOR	PUBLISHER
1. Fundamentals of Financial Management	Ramesh K.S. Rao	Maxwell, Macmillan
2. Principles of Managerial Finance	I.J. Gitman	Harper and Row Publisher
3. Fundamental of Financial Management	Eugene F. Brigham	Dryden Press

Additional Readings

1. Financial Management	M.Y. Khan P.K. Jain	Tata Mc Graw Hill Pub. Co. (Pvt) Ltd.
2. Financial Management and Policy	James C. Van Horne	Prentice Hall Inc.
3. International Management Finance	J.F. Weston & B.W. Sarge	Richard D. Irwin
4. Management of Company Finance	Samuels & Wilkes	Nelson
5. Standards and Guidelines		IASC & IFAC
6. Lesson notes		ICMAP

Objectives

To provide the students with a detailed knowledge of methods and techniques of Corporate Performance evaluation for enabling them to carry out their evaluation tasks effectively.

Ability Required:

Specialised Knowledge & Skill

CORPORATE PERFORMANCE EVALUATION

(1 Paper - 100 Marks)

Weightage	Contents
10%	1. Introduction: Definition and scope of Corporate Performance Evaluation; performance evaluation as a tool of management; professional skills required by a Corporate Performance Evaluator; performance evaluation as compared to traditional audit. Independence of performance evaluator.
10%	2. Performance Evaluation Procedures: Review of systems of control; Review of corporate objectives; strategies, plans and organization; Information needed about the business; evaluation programme; performance evaluation working papers. setting standards for performance evaluation. Planning performance evaluation.
5%	3. Evaluation of overall performance/analysis of operating results and financial positions, ratio analysis.
5%	4. Inter-firm comparisons, focus on areas of under performance, evaluating alternatives for improvements, influence on short and long term objectives.
10%	5. Appraisal of purchase management: Determining the methods and sources of purchases, purchase prices, and terms of payment to creditors; review of purchase policy; review of purchase budgets, purchase analysis by product, cost centres, standards, price and usage variance analysis.

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|-----|-----|--|
| 10% | 6. | Appraisal of Marketing Management: Review of sales and marketing policies and their implementations, review of sales promotion programmes and achievements; review of sales budgets, sales analysis by products standards, price variance analysis. |
| 10% | 7. | Inventory Management: Review of inventory control policy and its implementation; types of inventories and risk factors involved, e.g. obsolescence, deterioration, price volatility and fashion changes; review of budgets stock levels, lead times, re-order levels and economic re-order quantities; review of slow moving items, review of co-ordination with the purchases, production, and sales departments. |
| 10% | 8. | Appraisal of Production Management: Review of production policies and their implementation; appraisal of production budget, evaluation of productivity with reference to factors of production. |
| 5% | 9. | Appraisal of Plant and Equipment Management: Review with reference to their nature, values, locations, life expectancy and usage; review of replacement needs, acquisition and disposal budgets. |
| 5% | 10. | Appraisal of Personnel Management: Review of man-power strength, methods of remuneration, policies for hiring and firing, promotion, training, manpower turnover and labour cost variances. |
| 5% | 11. | Appraisal of Quality Control Management: Review of policy for quality control, quality standards set and achieved, preventive control, remedial action and cost. |
| 5% | 12. | Appraisal of Research and Development Management: Review of policy, Research and development projects undertaken, result achieved and cost benefit analysis. |
| 10% | 13. | Preparation of Corporate Performance Evaluation Report. |

Books Recommended

TITLE	AUTHOR	PUBLISHER
1. The Quality Audit - A Management Evaluation Tool	Charles A. Mills	Mc Graw Hills
2. Effective Performance Measurement	Lockett	Pitman

Additional Readings

1. Measuring Corporate performance	Niall Lethian	CIMA Publication
2. Performance Measurement in Service Businesses	Lin Fitzgerald Robert Johnston Stan Brignall Rhian Silvestro Christopher Voss	CIMA Publication
3. Lesson Notes		ICMAP

2

Objectives

To provide the student with a detailed knowledge of Management Information System and technology with special reference to electronic data processing to enable them to:

a) design and develop management information system to improve the performance of the organization;

b) apply conceptual approach of information system technology to different business problems.

Ability Required:

Conceptual & Theoretical Knowledge

MANAGEMENT INFORMATION SYSTEM

(1 Paper - 100 Marks)

Weightage

20%

Contents**1. The Nature of Information Systems**

Concepts; classification of information systems. Systems and sub-systems; control and feed back in systems.

Information and data. The nature and attributes of information. Presentation: accuracy, frequency; detail, timeliness, costs and format.

Functional sub-systems:

Purchasing, raw materials and finished goods; inventory control;

Invoicing, receipts and sales analysis;

Payments, cash, payroll, accounts;

Financial, general ledger, assets register, budgeting.

- 30%** **2. System Design**
 Principles; application to computers; batch and interactive systems.
 Project life cycles; the stages of systems design; project management and control. Recording and communicating techniques.
System analysis
 Standards: software; hardware; design; documentation and enforcement.
- 10%** **3. System Selection And Installation**
 Meeting the information systems needs of the organization.
 Office automation and its effect on business. justification; management agreement; report writing. Dealing with manufacturers and suppliers; contracts, tailor made and packaged software; evaluation; bench mark tests.
 User training; systems testing; changeover; data conversion; manuals and human factors in implementation.
 Maintenance of systems; flexibility and adaptability.
- 10%** **4. Data Organization :**
 Types; principles of database design.
 Networks; file structures and file organizations.
 Data manipulation and administration. Methods of collection; coding; input devices; data transmission; validation and control.
- 10%** **5. Software**
 The concept of software: operating systems; languages; application packages; utilities and sub-routines.
- 10%** **6. Hardware**
 Types of computer; Input, output devices; storage of data; communications; local area net-work.
- 10%** **7. Principles of programming**
 Structural design of programmes; understanding simple programs in BASIC.
 Operating software, application software including spreadsheets, business graphs and word processing.

Books Recommended

TITLE	AUTHOR	PUBLISHER
1. Management Information Systems	R. Mcleod, Jr	Maxwell MacMillan

2. Information System Concepts for Management	H.C. Lucas, Jr.	Mc Graw Hill
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Additional Readings

1. The Analysis, Design & Implementation of Information System	H.C. Lucas Jr.	Mc Graw Hill
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2. Information Systems Theory & Practice	J. Burch G. Grudnitski	John Willey
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Objectives

To provide the students with detailed knowledge of:

a) the methods and techniques of marketing management to enable them to play an effective role in strategic business planning of marketing operations of an organisation;

b) Organisational Behavior to understand human behavior within and outside the organisation for effective utilisation of human resources for improving the efficiency of the business.

Ability Required:

Professional Knowledge & Skill

MARKETING MANAGEMENT AND ORGANISATIONAL BEHAVIOR

(1 Paper - 100 Marks)

SECTION (A)**MARKETING MANAGEMENT (50 MARKS)****Weightage****Contents****10%****1. Introduction**

Functional system and concepts of marketing; marketing environment; customer; Economy; market segmentation; classification of goods.

10%**2. Product Strategy Of Pricing System**

Planning and development of new product; life cycle of product; product line, product mix, blend, packing and labeling; pricing policies and strategy; pricing methods with reference to Pakistan.

- 10%** **3. Distribution Structure**
 Distribution channels: Retail and wholesale market; selection and management of distribution channels.
- 10%** **4. Promotional Activities Of Market Research**
 Promotional program; personal selling; Advertising promotional mix; evaluation of promotional program; marketing information; tools for marketing research; pre-launching and post sale market research.
- 10%** **5. International Marketing**
 Domestic vs. international marketing expansion into new markets barriers to international trade, foreign market analysis methodology; export pricing export policy and incentives.

SECTION (B)

ORGANISATIONAL BEHAVIOR (50 MARKS)

- 10%** **1. Introduction**
 Definition and objectives; organisational behavior; an exciting field of study and application; the foundation and background for organisational behavior; organisational culture; the international interaction.
- 10%** **2. Basic Understanding of Individual Behaviour**
 Personality; perception; attitudes and job satisfaction; job stress.
- 10%** **3. Motivation and Learning the Focus of Organisational Behaviour**
 Motivation; needs and processes; motivation applied; job design and goal setting; learning; concepts and principles; organisational behaviour modification.
- 10%** **4 Interpersonal and Group Behaviours, Dynamics and Influence**
 Groups; formal and informal; interactive behaviours and conflict; power and politics; leadership processes and styles.
- 10%** **5. The process and Structure of Organizational Behaviour**
 Communication; decision making and control; organization theory and design; organization change; development and the future.

Books Recommended

TITLE	AUTHOR	PUBLISHER
1. Marketing Strategies & Programmes	Guiltman Gordon and Paul	Mc Graw Hill
2. Organizational Behavior	Fred Luthams	McGraw Hill

Additional Reading

1. Management of Organizational BEHAVIOR & Management	J.M. Ivancevich M.T. Mattson	Irwin
2. Global Marketing Management A Strategic Perspective	Brain Toyne Peter G.P. Wolters	Allyn & Bacon
3. Organizational Behavior	R. Kreitner A. Kinichi	Irwin
4. Marketing	Joel R. Evan & Berry Berman	Macmillan Publishing Co.

ICMAP CENTRES

1. KARACHI

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Phones : 7219908, 7215657

2. ISLAMABAD

Regional Office, Plot No. 16,

Sector H/9, P.O. Box 147 Phone : 854270

3. LAHORE

Director Northern Zone, P.O. Box 679, 42 - Ferozepur Road,
Phone: 7578494

4. PESHAWAR

ICMAP Centre, Govt. High School No. 3, (Cantt)

Phone: 79238

5. QUETTA :

ICMAP Centre, Bolan Mining Enterprises, Lourdes Hotels,
Phone : 65356

6. MULTAN

ICMAP Centre, Govt. College of Education, Bosan Road,
Phone : 513779

7. FAISALABAD

ICMAP Centre, Govt. Degree College of Commerce,
Phone : 44523

8 ABBOTTABAD

ICMAP Centre, Govt. College of Commerce, Jinnahabad Colony,
Off : Mansehra Road, Phone : 4744

9. HYDERABAD

ICMAP Centre, Govt. Sindh College of Commerce,
Fakir Ka Perh, Phone:642374