



ICSA Certificate and Diploma in Offshore Finance and Administration

Programme Handbook

Updated August 2011

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Introduction

The ICSA Certificate and Diploma in Offshore Finance and Administration attract candidates across many offshore centres, including Jersey, Guernsey, the Isle of Man, Mauritius, Gibraltar and several Caribbean jurisdictions.

These stand-alone qualifications have been created to provide a unique and highly relevant training opportunity specifically for those employed in the offshore finance sector.

They are recognised within the different jurisdictions as appropriate qualifications for those working in the offshore sector.

The programme consists of 8 modules:

Certificate in Offshore Finance and Administration
Offshore Business Environment
Accounting Fundamentals
Trust and Company Principles
Investment
Diploma in Offshore Finance and Administration
Offshore Trust and Companies Administration
Business Management in Practice
Governance and Reporting
Portfolio Management

On successful completion, candidates are able to use the designatory letters Cert.ICSA or Dip.ICSA after their names.

Successful candidates who wish to progress to become Chartered Secretaries may enrol on the Chartered Secretaries Qualifying Scheme (CSQS).

CSQS is ICSA's revised qualifying scheme which comes into effect from June 2011 and will replace the existing Professional Programme. Like the current qualifying scheme, it will continue to provide a broad skills base in law, finance and strategy, with a particular focus on governance, corporate law and compliance.

For more information on the entry requirements for CSQS, see www.icsa.org.uk/join-us.

Level

The ICSA Certificate in Offshore Finance and Administration is a foundation qualification which provides an introduction to the offshore finance sector. It is aimed at administrators in offshore business organisations. There are no formal entry requirements, although candidates should be in a relevant occupation.

The ICSA Diploma in Offshore Finance and Administration is designed for those with experience of the offshore industry, such as administrators in junior supervisory roles, who wish to develop their knowledge further.

It is difficult to compare the standard of these programmes to an academic curriculum. However, in order to provide some indication in terms of rigour:

- At the Certificate level candidates can expect the assessment of the modules to be broadly equivalent to the assessment within the first year of a UK three year undergraduate honours degree programme.
- At the Diploma level, assessment of the modules is broadly equivalent to the assessment within the second year of a UK three-year undergraduate honours degree programme.

Required skills

Language

All of the study texts and exams for the Certificate and Diploma in Offshore Finance and Administration are in English. ICSA recommends that candidates who are non-native speakers of English should have a level of language equivalent to a score of 6.0 in the International English Language Testing System (IELTS).

The equivalent recommended scores for the Test of English as a Foreign Language (TOEFL) are 550 for TOEFL Paper, 213 for TOEFL Computer, and 79-80 for TOEFL iBT.

IT skills

ICSA recommends that candidates have a basic level of computer skills and should be able to use email, search for information on the internet and use a word processing package.

Exam dates and registering

Exams for the Certificate and Diploma in Offshore Finance and Administration are held twice a year, in winter (usually at the beginning of February) and summer (usually mid-July).

To enter for the exams, candidates must register and send in exam entry forms by the closing dates:

- The closing date for the receipt of exam entries for summer sittings is 1 May
- The closing date for the receipt of exam entries for winter sittings is 1 December (of the preceding year)

You can find information such as exam timetables, fees and registrations forms in the Study/Getting Started section of the ICSA website.

Study hours

It is recommended that students undertake approximately 200 hours of study for each module, including face-to-face tuition, self-study, exam preparation and reflection on work experiences.

Assessment format

There are different formats for Certificate and Diploma exam papers (detailed below) but the general organisation is the same. They are closed-book exams.

The exam papers are split into three sections:

- Section A -multiple-choice
- Section B -short-answer compulsory questions.
- Section C -longer essay-style questions from which you answer two from a choice of three.

The marks allocated for all questions you are required to complete total 100. The pass mark is 50%.

Certificate exam

Section	Questions	Mark allocation	Question type	Recommended timeframe
A	A compulsory question divided into 10 multiple-choice parts	20 marks – 2 marks per question part	Testing breadth of knowledge across the syllabus	20 minutes – 2 minutes per question part
B	5 short-answer questions	30 marks – 6 marks per question	Testing breadth of knowledge across the syllabus	40 minutes – 8 minutes per question
C	Candidates choose 2 questions from a choice of 3	50 marks - 25 marks per question	Long answer	60 minutes – 30 minutes per question
Total	8 questions	100 marks	n/a	2 hours

Diploma exam

Section	Questions	Mark allocation	Question type	Recommended timeframe
A	A compulsory question divided into 10 multiple-choice parts	10 marks – 1 mark per question part	Testing breadth of knowledge across the syllabus	20 minutes – 2 minutes per question part
B	10 short-answer questions	40 marks – 4 marks per question	Testing breadth of knowledge across the syllabus	70 minutes – 7 minutes per question
C	Candidates choose 2 questions from a choice of 3	50 marks - 25 marks per question	Long answer	90 minutes – 45 minutes per question
Total	13 questions	100 marks	n/a	3 hours

Recommended route

You can work through the modules at your own pace. However, ICSA strongly recommends that you attempt the modules in the following order:

Certificate in Offshore Finance and Administration

'Offshore Business Environment' and 'Trust and Company Principles'

then

'Accounting Fundamentals' and 'Investment'

Diploma in Offshore Finance and Administration

'Offshore Trust and Companies Administration' and 'Business Management in Practice'

then

'Portfolio Management' and 'Governance and Reporting'

Study texts for February 2012 exams

Certificate in Offshore Finance and Administration

- Accounting Fundamentals: *Accounting Fundamentals Text Book*, BPP Professional Education, September 2005 Edition.
- Investment: *Investments Text Book*, BPP Professional Education, September 2005 Edition.
- Offshore Business Environment: *Offshore Business Environment Text Book*, BPP Professional Education, September 2005 Edition.
- Trust and Company Principles: *Trust and Company Principles Text Book*, BPP Professional Education, September 2005 Edition.

Diploma in Offshore Finance and Administration

- Business Management in Practice: *Business Management in Practice Text Book*, BPP Professional Education, September 2005 Edition.
- Governance and Reporting: *Governance and Reporting Text Book*, BPP Professional Education, September 2005 Edition.
- Offshore Trust and Companies Administration: *Offshore Trust and Company Administration Text Book*, BPP Professional Education, September 2005 Edition.
- Portfolio Management: *Portfolio Management Text Book*, BPP Professional Education, September 2005 Edition.

The 'Investment' study text

Candidates studying for the February 2012 examinations may disregard the following areas of the Investment study text:

- Chapter 4: Macro-Economics – disregard the whole chapter
- Chapter 6: Fixed Interest Securities – disregard sections 6.2.3, 'Clean and Dirty Prices', and 6.3.2, 'Japanese Gross Redemption Yield'.

Content from these sections will not be tested in these examinations.

Obtaining study texts

BPP Professional Education are the sole provider and distributor of the study texts for the Certificate and Diploma in Offshore Finance and Administration. Candidates must purchase the study text for each module directly from BPP Professional Education. These texts cover the syllabus comprehensively and can be studied at the candidate's own pace, in their own time.

You do not have to be an ICSA registered student to buy texts nor do you require an ICSA student registration number.

The contact at BPP Professional Education is as follows:

Ms Maxine Preddy
Telephone: +44 (0) 1534 711803
E-mail: maxinepreddy@bpp.com

Disability policy

ICSA is committed to ensuring equality of opportunity for all students and to observe and comply with the provisions of the Disability Discrimination Act 1995 (DDA), as amended by the Special Educational Needs and Disability Act 2001 (SENDA).

ICSA aims to avoid the creation of unnecessary barriers for disabled people by making anticipatory adjustments to its provisions. All student disabilities will be treated on a subjective basis and any reasonable adjustments will be made and offered within available resources to reflect the disability or special needs of the student.

To this end, candidates should, ideally, submit requests for any special arrangements by 1 March for the summer (June) examinations and 1 September for the winter (December) examinations. Applications will be accepted after these dates but to facilitate the accommodation of such a request, candidates are requested to notify the Institute as soon as is reasonably practicable.

For all students who consider themselves to be disabled under the provisions of the DDA, or require special needs consideration under SENDA, please give full details together with supporting medical evidence and recommendations to the Member and Student Relations Manager, ICSA, 16 Park Crescent, London W1B 1AH.

All applications are considered on an individual basis and any complaints will be referred to the Institute's Assessment Review Panel for consideration.

Please note that United Kingdom students may be able to avail themselves of external allowances in respect of their disability. The following link gives details of Disability Student Allowances-

http://www.direct.gov.uk/en/DisabledPeople/EducationAndTraining/HigherEducation/DG_10034898

Syllabuses

Offshore Business Environment Syllabus

Overview

Part 1 – Offshore Centres

- Development and features of offshore centres
- Choosing an offshore centre and a service provider

Part 2 – The Legal Environment

- The importance of English law in offshore jurisdictions
- Legislation, interpretation and case law
- Contract law

Part 3 – Taxation Concepts

- Different taxes and their implications:
Income tax; Capital Gains tax; Inheritance tax; and Corporation tax
- Residence and domicile status, and tax consequences
- Taxation of entities

Part 4 – Banking

- Types of accounts
- Payment methods
- Foreign exchange
- Forward exchange contracts
- Offshore banking services

Part 5 – Offshore Financial Services

- Introduction to the financial services sector
- Regulation and supervision of the offshore financial services sector
- Trust and corporate administration services
- Insurance and legal services
- Tax compliance and tax planning
- Investment management services

Part 6 – Money Laundering

- Money laundering and why it is considered harmful
- Anti-money laundering legislation and initiatives

Detailed Syllabus

PART 1	OFFSHORE CENTRES
DEVELOPMENT AND FEATURES OF OFFSHORE CENTRES CHOOSING AN OFFSHORE CENTRE AND A SERVICES PROVIDER	<p>Students will be able to:</p> <ul style="list-style-type: none">➤ trace the development of the offshore industry and the economic influences that allow it to continue➤ understand who uses offshore centres➤ identify the key features of an offshore centre <p>Students will be able to:</p> <ul style="list-style-type: none">➤ identify factors to be considered when choosing an offshore centre➤ identify various offshore centres➤ identify factors to be considered when choosing a services provider

PART 3	TAXATION CONCEPTS
DIFFERENT TAXES	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ discuss the principles of income tax, corporation tax, capital gains tax, and inheritance tax ➤ identify the implications for clients while recognising the need for expert advice and management and control
RESIDENCE & DOMICILE	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ outline tax-planning concepts ➤ distinguish between residence, ordinary residence, and domicile ➤ expand upon the difference between residence and ordinary residence ➤ give details of temporary non-residence ➤ discuss the general principles of domicile ➤ distinguish between domicile of dependency, domicile of spouses and children, and deemed domicile □□ discuss tax consequences of the different types of status
TAXATION OF ENTITIES	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ explain the meanings and uses of 'offshore structures' and 'offshore entities' ➤ understand the principles of the taxation of trusts ➤ understand the principles of the taxation of companies ➤ continue to discuss tax-planning concepts ➤ explain the difference between tax avoidance and tax evasion ➤ discuss the OECD's Harmful Tax Practices Initiative

PART 4	BANKING
BANK ACCOUNTS	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ discuss various types of bank accounts available ➤ discuss different types of bank savings accounts ➤ distinguish between ordinary deposit accounts, investment accounts and instant access accounts ➤ explain references and enquiries made prior to opening a new account
PAYMENTS	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ describe the different payment method, including cash, cheques, bankers draft, standing orders, direct debits, and plastic cards ➤ outline CHAPS, SWIFT, TARGET, and payment systems in the United States
FOREIGN EXCHANGE (FX)	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ understand the mechanism of FX deals ➤ appreciate the importance of timings and risk involved in forward exchange contracts (FECs)
OFFSHORE BANKING	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ discuss banking services provided from offshore centres ➤ explain client confidentiality provisions in offshore centres ➤ discuss regulation and supervision of offshore banks ➤ discuss the types of banking licences available in offshore centres ➤ discuss and distinguish between managed banks and IBFs

PART 5	OFFSHORE FINANCIAL SERVICES
<p data-bbox="310 296 597 359">EVOLUTION OF THE SECTOR</p> <p data-bbox="267 464 597 590">REGULATION AND SUPERVISION OF OFFSHORE FINANCIAL SERVICES</p> <p data-bbox="253 638 597 701">TRUST AND CORPORATE SERVICES</p> <p data-bbox="306 785 597 879">INSURANCE, LEGAL AND TAXATION SERVICES</p> <p data-bbox="383 1268 597 1362">INVESTMENT MANAGEMENT SERVICES</p>	<p data-bbox="672 296 980 323">Students will be able to:</p> <ul style="list-style-type: none"> <li data-bbox="672 363 1344 426">➤ explain why a specialist financial-services sector has evolved <li data-bbox="672 464 1027 491">➤ Students will be able to: <li data-bbox="672 529 1295 592">➤ discuss the regulation and supervision of the financial-services sector offshore <p data-bbox="672 630 980 657">Students will be able to:</p> <ul style="list-style-type: none"> <li data-bbox="672 695 1255 758">➤ discuss trust and company administration services available offshore <p data-bbox="672 795 980 823">Students will be able to:</p> <ul style="list-style-type: none"> <li data-bbox="672 861 1317 924">➤ understand the need for specialised insurance services such as captive insurance <li data-bbox="672 930 1352 1035">➤ recognise the need for expert specialist advice to ensure that all undertakings meet legal requirements <li data-bbox="672 1041 1352 1146">➤ understand that the scope of work ranges from drawing up documentation to advising on tax and estate planning <li data-bbox="672 1152 1219 1215">➤ identify the two broad categories of tax compliance and tax planning <p data-bbox="672 1253 980 1281">Students will be able to:</p> <ul style="list-style-type: none"> <li data-bbox="672 1318 1295 1381">➤ identify the two main areas of retail fund managers and private portfolio management <li data-bbox="672 1388 1349 1472">➤ discuss the portfolio management services provided: execution only; advisory management; and discretionary management

Accounting Fundamentals Syllabus

Oveview

Part 1 – Principles of Accounting

- Purpose of accounting
- Accounting and business equations
- Introduction to financial statements

Part 2 – Bookkeeping

- Prime books of entry
- Ledger accounting
- Trial balance
- The profit and loss account
- The balance sheet

Part 3 – Adjustments and Financial Statements

- Accruals and pre-payments
- Bad and doubtful debts
- Fixed assets and depreciation
- Bank reconciliations
- Control accounts
- Presentation of financial statements
- Non-statutory final accounts

Detailed Syllabus

PART 1	PRINCIPLES OF ACCOUNTING
<p>INTRODUCTION TO ACCOUNTING</p> <p>THE ACCOUNTING AND BUSINESS EQUATIONS</p> <p>INTRODUCTION TO FINANCIAL STATEMENTS</p>	<p>On successful completion of this subject, students will be able to</p> <ul style="list-style-type: none">➤ define 'accounting' and 'profit'➤ discuss the purposes, need for and users of accounting information➤ identify the main financial statements➤ discuss the qualities of good financial information➤ distinguish between capital and revenue expenditure ➤ distinguish between assets and liabilities➤ explain how the accounting equation and the business equation underlies the financial statements➤ construct the accounting equation in different forms ➤ discuss the concept of a balance sheet, and draw up a simple example➤ discuss the concept of a trading, profit-and-loss account, and draw up a simple example

PART 2	BOOKKEEPING
<p data-bbox="264 331 576 427">SOURCES, RECORDS AND BOOKS OF PRIME ENTRY</p> <p data-bbox="304 600 576 696">LEDGER ACCOUNTING AND DOUBLE ENTRY</p> <p data-bbox="376 1173 576 1301">FROM TRIAL BALANCE TO FINANCIAL STATEMENTS</p>	<ul style="list-style-type: none"> <li data-bbox="655 331 1294 398">➤ explain the role of source documents and the need for books of prime entry <li data-bbox="655 400 1134 434">➤ explain daybooks and cashbooks <li data-bbox="655 436 1134 470">➤ explain the purpose of the journal <li data-bbox="655 472 1337 533">➤ record transactions, adjustments and corrections in the journal <li data-bbox="655 568 1326 636">➤ explain how double-entry bookkeeping relies on the concept of duality <li data-bbox="655 638 1007 672">➤ explain debit and credit <li data-bbox="655 674 1310 801">➤ record cash and credit transactions in a set of ledger accounts (analysed cashbook and petty cash are excluded), using either continuous balance accounts or 'T' accounts <li data-bbox="655 804 1294 871">➤ calculate and record the closing balance on a ledger account <li data-bbox="655 873 1326 940">➤ identify ledgers commonly used and explain the nature and purpose of each ledger <li data-bbox="655 943 1278 1010">➤ explain the meaning of the balances in each ledger <li data-bbox="655 1046 1294 1144">➤ prepare a simple balance sheet and/or profit-and-loss (P&L) account from the trial balance (trading and service businesses) <li data-bbox="655 1146 1294 1245">➤ explain how and why assets and liabilities are disclosed in the balance sheet (including discounts but excluding carriage) <li data-bbox="655 1247 1326 1281">➤ outline the nature and purpose of a trial balance <li data-bbox="655 1283 1294 1317">➤ extract the ledger balances into a trial balance <li data-bbox="655 1319 1294 1379">➤ explain how and why revenues and expenses are disclosed in the profit and loss account

PART 3 ADJUSTMENTS AND FINANCIAL STATEMENTS	
THE COST OF GOODS, ACCRUALS, AND PREPAYMENTS	<ul style="list-style-type: none"> ➤ account for the closing-stock adjustment ➤ describe the nature and purpose of an accrual ➤ record adjustments relating to accrued expenses in ledger accounts ➤ describe the nature and purpose of a prepayment ➤ record adjustments relating to prepaid expenses in ledger accounts
DISCOUNTS, BAD DEBTS, AND PROVISIONS FOR DOUBTFUL DEBTS	<ul style="list-style-type: none"> ➤ define trade debtors ➤ explain discounts ➤ explain bad debts ➤ explain doubtful debts ➤ explain the difference between a bad debt written off and a doubtful debt provision ➤ record bad and doubtful debts in the ledger accounts
FIXED ASSETS, DEPRECIATION, AND DISPOSALS	<ul style="list-style-type: none"> ➤ define and give examples of fixed assets ➤ differentiate between tangible fixed assets and intangible fixed assets ➤ define and explain the purposes of depreciation ➤ outline and discuss the straight-line and reducing-balance methods of depreciation, and illustrate the application of each method ➤ record the acquisition of a fixed asset in ledger accounts ➤ record the charge for depreciation and the cumulative provision for depreciation in ledger accounts, the P&L account, and the balance sheet ➤ explain and record the disposal of a depreciated fixed asset
BANK RECONCILIATIONS	<ul style="list-style-type: none"> ➤ explain the nature and purposes of a bank reconciliation ➤ explain why the bank statement and cashbook balances may not agree ➤ make the cashbook entries required to update the balance for outstanding items ➤ draft a bank reconciliation statement ➤ explain the nature and purposes of a control account ➤ explain how control accounts relate to the double-entry system ➤ construct a control account from given information

Trusts and Company Principles Syllabus

Overview

Part 1 – Introduction to Company Law and Administration

- Definition and features of a company
- Principles of incorporation
- Shareholders and directors
- Meetings and resolutions
- The registered office and company records
- Termination and migration

Part 2 – Introduction to Trusts

- History of trusts
- Formation of a trust
- Fundamentals of a valid trust
- Settlers
- Trustees
- Beneficiaries
- The trust fund
- Types of trust
- Role, functions and limitations of a protector
- Trustee deeds and documentation
- Decision-making process

Part 3 – Business Administration

- Meetings and the administration of meetings
- Resolutions and minutes
- Role of the company secretary

<p>REGISTERED OFFICE AND COMPANY RECORDS</p>	<ul style="list-style-type: none"> ➤ describe the function of the registered office ➤ recognise the company seal (as the corporate signature) and be able to explain the effect of notarising/legalising ➤ describe the register of members ➤ describe the register of directors and secretaries ➤ explain the contents of the Annual Return, details of its completion and the effect of the failure to complete <p>Students will be able to:</p>
<p>TERMINATION AND MIGRATION</p>	<ul style="list-style-type: none"> ➤ explain the circumstances as to when a company may no longer be required or able to continue as a going concern, e.g. shareholder require return of equity, or creditors voluntary liquidation ➤ explain what is meant by a compulsory liquidation, voluntary liquidation, dissolution, and striking-off; and evaluate the most appropriate voluntary termination method in given circumstances ➤ explain redomiciliation, including the requirements for 'departure' from one jurisdiction, and 'continuation' into the receiving jurisdiction

<p>BENEFICIARIES</p>	<ul style="list-style-type: none"> ➤ identify practical measures to manage this risk <p>Students will be able to:</p>
<p>THE TRUST FUND</p>	<ul style="list-style-type: none"> ➤ explain what constitutes property ➤ discuss how long property should be held for and why; i.e. rules of perpetuity ➤ describe restrictions on property, i.e. excessive accumulation and the rules attached thereto ➤ explain the need for the trust to be effectively funded at creation to ensure it is completely constituted. ➤ explain the importance of ensuring property effectively passes from the settlor to the trustees ➤ describe the various formalities to perfect the transfer ➤ describe the status of a 'volunteer' under equity ➤ assess the effect of assets <u>not</u> effectively passed to the trustees ➤ advise on remedies and possible implications to the settlor and trustee ➤ demonstrate the effect of void and voidable trusts <p>Students will be able to:</p>
<p>TYPES OF TRUST</p>	<ul style="list-style-type: none"> ➤ distinguish between the different types of trusts typically available in their jurisdiction ➤ outline the advantages of a discretionary trust ➤ discuss its flexibility but countered with total lack of control from the settlor's perspective ➤ compare and contrast the fixed interest nature of the trust to discretionary ➤ explain how this will affect the way they are administered. ➤ describe various types of fixed interest trusts e.g. life interest, accumulation and maintenance, charitable, protective, trusts purpose ➤ explain who typically would utilise them and the planning rationale behind it <p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ describe the role and function of a protector ➤ explain who is typically used ➤ discuss the limitations on their powers i.e. dangers of excessive powers

<p>THE PROTECTOR</p> <p>TRUST DEED AND OTHER DOCUMENTATION</p> <p>DECISION MAKING PROCESS</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ identify key clauses i.e. how assets are held e.g. fixed or discretionary ➤ identify the key documentation required to establish and maintain a trust arrangement effective ➤ appreciate that it is the trustees' rule book which is legally binding <p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ discuss what information should be held and who should have access ➤ draw up a standard trustee minute to include:- <ul style="list-style-type: none"> (i) consideration (ii) decision made to be prudent ➤ explain the importance of maintaining accurate correspondence and permanent files ➤ describe what could be disclosed under 'discovery' ➤ appreciate the need for accounts ➤ discuss barriers to producing meaningful accounts ➤ understand the importance of effectively recording trustees' decision for management and control purposes and therefore avoid a sham ➤ discuss strategies for administration to minimise these barriers ➤ understand the trustee's duty to be active in their administration ➤ match the administrative function of decision making with trustees' duty of prudence, due care and diligence, good faith etc with particular reference to the making of distributions ➤ explain the Rahman case and its implications for good practice
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Investment Syllabus

Overview

Part 1 – Investment Management

- Introduction to investment management
- Objectives of investment management
- Performance measurement

Part 2 – Environment, Markets, Instruments and Regulation

- The macro-economic environment
- Money market instruments
- Fixed-interest securities
- Gilt-edged securities
- Shares
- Derivatives
- Swaps
- Foreign Exchange
- Financial Services and Markets Act 2000
- Authorisation and regulation

Detailed Syllabus

PART 1	INVESTMENT MANAGEMENT
INTRODUCTION TO INVESTMENT MANAGEMENT	<p>On successful completion of this module, students will be able to:</p> <ul style="list-style-type: none">➤ outline the roles of investment managers and trustees➤ discuss institutional investment management, including pension funds, life assurance companies, and collective investment vehicles, the tax treatment to which they are subject, and relevant legislation and regulation➤ discuss the nature and provision of individual investment management services➤ discuss the investment management process
OBJECTIVES OF INVESTMENT MANAGEMENT	<ul style="list-style-type: none">➤ identify specific objectives and constraints in relation to different clients➤ explain the relationship between risk and return➤ identify and understand the importance of different time periods: short, medium and long term➤ identify approaches to investment analysis and investment management➤ discuss strategic and tactical asset allocation and stock selection➤ explain the basics of portfolio construction to include liquidity, security, and opportunity
PERFORMANCE MEASUREMENT	<ul style="list-style-type: none">➤ explain measures of return➤ evaluate methods of performance appraisal

PART 2	ENVIRONMENT, MARKETS, AND INSTRUMENT
MACRO-ECONOMICS	<ul style="list-style-type: none"> ➤ explain how national income is determined, composed and measured in both an open and closed economy ➤ explain the stages of the economic cycle ➤ explain how exchange rates are determined ➤ be able to apply the effect of changing exchange rates on the activities of companies that operate internationally ➤ understand the pros and cons of European Monetary Union (EMU) and of the Euro ➤ explain the composition of the balance of payments and the factors behind and benefits of international trade and capital flows ➤ explain the nature, determination and measurement of the money supply ➤ explain the role, basis and framework within which monetary and fiscal policy operate ➤ explain the role of central banks and of the G8 group of nations ➤ explain how inflation and unemployment are determined, measured and their inter-relationship
MONEY MARKETS	<ul style="list-style-type: none"> ➤ give an introduction to the money market ➤ define LIBOR ➤ describe different bills (trade, bank, and Treasury) ➤ give details of certificates of deposit (CDs) and commercial paper (CP) ➤ discuss the repo market
FIXED-INTEREST SECURITIES	<ul style="list-style-type: none"> ➤ describe the features of bonds ➤ distinguish between and explain the significance of government bonds and corporate bonds including convertibles, domestic bonds, foreign bonds and eurobonds ➤ discuss the origin of gilt edged securities ➤ give details of the features of gilts ➤ explain the measures of yield: flat yield; gross redemption yield; and net redemption yield

SHARES	<ul style="list-style-type: none"> ➤ define the different types of shares ➤ discuss merits and demerits of investing in equities ➤ outline the main objectives of investment analysis ➤ distinguish between types of asset analysis ➤ discuss the Efficient Market Hypothesis (EMH)
DERIVATIVES	<ul style="list-style-type: none"> ➤ define and explain futures ➤ define and explain options ➤ define and explain warrants ➤ discuss types of swaps ➤ explain the uses of swaps
FOREIGN EXCHANGE	<ul style="list-style-type: none"> ➤ explain and discuss exchange rates ➤ give details of exchange risk and current risk ➤ describe spot/forward markets
UK FINANCIAL-SERVICES REGULATION	<ul style="list-style-type: none"> ➤ define the principal objectives of the Financial Services and Markets Act (FSMA) 2000 ➤ explain which financial services are regulated under the Act ➤ explain the role of the Financial Services Authority ➤ define 'Approved Persons' ➤ explain the 'Statements of Principle for Approved Persons' ➤ outline the provisions of the FSA Handbook in relation to business standards, regulatory process, and redress
OTHER RULES AND REGULATIONS	<ul style="list-style-type: none"> ➤ discuss capital adequacy and the protection of clients' money and other assets ➤ discuss training, competence, the proper handling of complaints, and compensation

Offshore Trusts and Companies Administration Syllabus

Overview

Part 1 – Offshore Company Administration

- Use of offshore companies
- Types of companies
- Tax-planning issues
- Taxation of offshore companies
- Features of offshore companies
- Funding of offshore companies
- Rights and powers of members
- Role of the director
- Role of the director as an agent of the company
- Role of the corporate services provider
- Role and involvement of the beneficial owner

Part 2 – Trust Law and Administration

- Equity and common law
- Trust creation
- Formalities of trust creation
- Modern uses of trusts
- Types of trust
- Asset protection trusts
- The trust instrument (deed or, in some cases, declaration of trust)
- Parties to the trust
- Setting aside of trusts and equitable remedies
- Role of the trustee
- Investment
- Administration of discretionary trusts
- Trust accounts and trust reviews

Part 3 – Risk Management

- Risk management in offshore financial centres
- Business acceptance and administration
- Risk management and control

Detailed Syllabus

PART 1	OFFSHORE COMPANY ADMINISTRATION
<p>THE USE OF OFFSHORE COMPANIES</p> <p>TYPES OF COMPANIES</p> <p>TAX-PLANNING ISSUES</p> <p>TAXATION OF OFFSHORE COMPANIES</p> <p>FEATURES OF OFFSHORE COMPANIES</p>	<p>Students will be able to explain how companies are used offshore for:</p> <ul style="list-style-type: none"> ➤ asset holding ➤ trading activities ➤ confidentiality ➤ tax to include IBCs and exempt regimes ➤ succession planning ➤ captive insurance <p>Students will be able to explain and distinguish between the features of the following types of entities commonly encountered offshore:</p> <ul style="list-style-type: none"> ➤ ordinary companies ➤ exempt companies ➤ limited-duration companies (LDCs), and limited-life companies (LLCs) ➤ protected-cell companies (PCCs) ➤ variable capital companies ➤ international business companies (IBCs) ➤ companies limited by guarantee (LBGs) ➤ hybrid companies <p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ explain fundamental concepts of tax which drive offshore structures ➤ explain residence ➤ explain domicile ➤ distinguish between tax evasion, deferral, and avoidance <p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ explain resident and non-resident companies ➤ explain tax-exempt companies ➤ explain international business companies <p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ describe the features of single-member companies ➤ explain sole directors and corporate directors ➤ draft and explain written resolutions ➤ explain the need for accounts and audit requirements ➤ describe the circumstances where an audit exemption is possible ➤ explain bearer shares and their suitability offshore

FUNDING OF OFFSHORE COMPANIES	<ul style="list-style-type: none"> ➤ explain the use of nominee shareholders and accompanying nominee declarations
THE RIGHTS AND POWERS OF MEMBERS	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ explain the nature of shares and the meaning of capital ➤ explain share allotment ➤ explain loans and contributions to capital ➤ explain dividends payment ➤ explain repayment of loans ➤ explain refund of capital contributions ➤ explain payment of salary ➤ explain payment of expenses and commissions ➤ describe the documentation required to record deposits and withdrawals of funds
THE ROLE OF THE DIRECTOR	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ discuss the balance of power within a company and explain the rights of members ➤ explain what is meant by effective control of a company
THE ROLE OF THE DIRECTOR AS AN AGENT OF THE COMPANY	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ explain that the role of director is a “test of function and liability owed by directors” ➤ describe a director’s duties and powers with particular reference to their role in offshore companies ➤ appreciate the fiduciary nature of a director’s duty ➤ explain the importance of management and control vesting in the directors ➤ demonstrate the mechanics of board meetings and directors’ decision-making process ➤ explain why care is required in the use of nominee directors ➤ describe the use of corporate directors ➤ explain the role of directors provided by offshore agents
THE ROLE OF THE CORPORATE SERVICES PROVIDER (CSP)	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ define express agency ➤ define implied agency ➤ understand the significance of the Turquand case and the ‘indoor management rule’ <p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ outline the range of services provided by Corporate Service Providers (CSP)

THE ROLE AND INVOLVEMENT OF THE BENEFICIAL OWNER

- describe the documentation required to incorporate a company including company questionnaire, management agreement and client indemnity
- describe the documentation normally held at a company's registered address
- understand the role of company officers provided by a corporate services provider including directors, company secretary, registered agent or representative and nominee shareholder
- understand the requirement for corporate records and financial statements
- discuss the regulation and licensing of corporate services providers
- discuss the criteria for choosing a corporate services provider
- explain the requirement for the annual review of company records
- explain the requirement for the annual review of company records

Students will be able to:

- demonstrate why care is needed if the beneficial owner is involved as director or exercises a power of attorney
- explain the need to ensure that management and control remain with directors
- explain potential consequences for both offshore administrators and beneficial owners if management and control are not effectively offshore
- discuss the potential liability of directors and mechanisms to protect from breach of duty, e.g. professional liability insurance, shareholder approval, and indemnity provisions, and discuss the effectiveness thereof

PART 2	TRUST LAW & ADMINISTRATION
<p>EQUITY AND COMMON LAW</p> <p>TRUST CREATION</p> <p>FORMALITIES OF TRUST CREATION</p> <p>MODERN USES OF TRUSTS</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ explore the idea and nature of equity ➤ review the early history of deficiencies in the writ system and beginnings of the Courts of Chancery ➤ describe the origin of the trust and the Statute of Uses 1535 ➤ distinguish between equitable interest and legal interest ➤ differentiate between trusts and other vehicles such as a company, agency, and foundation <p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ discuss different methods of trust creation (namely, express, implied, resulting, and constructive trusts) ➤ identify that a constructive trust is a trust created by equity institutions where equity believes that the owner of property should 'in conscience' hold it on trust for another ➤ describe the rule in Keech v Sandford ➤ outline the position where a stranger meddles with trust property <p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ review the requirements of a valid trust ➤ review residence and domicile status of potential settlors ➤ Identify the proper law to govern trusts and be able to advice on changing the proper law, to include flee clauses and when and how they should be utilised ➤ Identify how the Hague Convention on the Law Applicable to Trusts and on their Recognition supports trusts <p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ describe the features and potential uses of a variety of trusts in modern usage to include the following: <ul style="list-style-type: none"> • tax planning, • confidentiality, • succession planning, • avoiding or reducing probate problems, • protection from creditors

<p>TYPES OF TRUST</p>	<ul style="list-style-type: none"> • protection from forced heirship • pre-emigration <p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ describe various types of trusts including: <ul style="list-style-type: none"> • discretionary trusts, • life-interest trusts, • accumulation-and-maintenance trusts, • purpose trusts, • trusts engaging in trading activities, • secret/half-secret trusts/mutual wills
<p>ASSET PROTECTION TRUSTS</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ discuss the concept of asset protection ➤ outline provisions of creditor protection trusts ➤ outline provisions of trust established to avoid forced-heirship claims
<p>THE TRUST INSTRUMENT (DEED OR, IN SOME CASES, DECLARATION OF TRUST)</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ advise on the format of a trust instrument ➤ describe the framework and contents of a typical trust instrument ➤ identify key provisions regarding <ul style="list-style-type: none"> • type of instrument, • distributions, • excluded parties, • exculpation clauses, • the care needed with reservation-of-power clauses
<p>PARTIES TO THE TRUST</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ outline who the parties are in connection with the trust instrument: <ul style="list-style-type: none"> • The settlor(s), including any dummy settlors • The trustee • The protector (if applicable) ➤ advise who should sign the instrument ➤ evaluate the practice of using dummy settlors ➤ explain the use of declarations of trust ➤ understand the good practice of obtaining specialist taxation and legal advice ➤ advice on the implications to the settlor and trustee of revocable versus irrevocable trusts
<p>SETTING ASIDE OF TRUSTS AND EQUITABLE REMEDIES</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ explain a range of situations where a trust may be set aside ➤ explain the circumstances where trusts may be

	<p>deemed voidable</p> <ul style="list-style-type: none"> ➤ outline the grounds on which a trust might be deemed illegal ➤ explore the significance of incompletely constituted trusts ➤ explain the maxim 'equity will not assist a volunteer' ➤ discuss how trust may be varied after they have been established ➤ explain when resort to the courts may be required to bring about a change ➤ discuss the remedies available in equity to beneficiaries where the trustee is guilty of a breach of trust
ROLE OF THE TRUSTEE	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ explain who can act as trustee ➤ outline how they are appointed ➤ discuss the duties of trustees and the standard of care expected ➤ outline the duties of a trustee on the acceptance of a new or existing trust ➤ discuss the ongoing administrative duties including the duty to <ul style="list-style-type: none"> • invest appropriately • provide information to beneficiaries • distribute trust funds • not profit personally from the trust • follow the trust deed • act unanimously ➤ discuss the powers of trustees as in the trust instrument and under local statutes ➤ explain the restriction on the trustees' power to delegate, and recent developments ➤ discuss specific powers of trustees including powers of <ul style="list-style-type: none"> • maintenance and advancement • appointment of capital • investment ➤ understand that the fiduciary nature of the role of trustee can lead to personal liability for breach of trust ➤ discuss the role of the trustee services provider ➤ outline the rules relating to the licensing and regulation of trustee services providers
INVESTMENT	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ discuss the historical development of the powers of investment of trustees under English law and offshore ➤ understand the prudent investor rules

<p style="text-align: center;">ADMINISTRATION OF DISCRETIONARY TRUSTS</p>	<ul style="list-style-type: none"> ➤ outline the provisions of the Trustee Act 2000 in relation to investment ➤ discuss the rules relating to the appointment of an investment advisor/manager ➤ discuss the specific problems relating to investment in family companies <p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ discuss the specific responsibilities of trustees in relation to the administration of discretionary trusts ➤ explain why such trusts are popular because of the flexibility they offer ➤ explain 'blind trusts' and discuss their advantages and potential problems ➤ discuss the use of the letter of wishes ➤ outline the role of trust protector ➤ discuss the decision-making process and the need to record trustees' decisions ➤ discuss 'sham trusts' and how they should be avoided
<p style="text-align: center;">TRUST ACCOUNTS AND TRUST REVIEWS</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ explain the importance of preparing accounts and carrying out a regular review of the trust administration ➤ outline the reasons for the preparation of trust accounts ➤ outline the structure to be adopted in the preparation of accounts, and understand the importance of the audit of trust accounts ➤ discuss the purpose of trust reviews and the procedure to be adopted for reviews

PART 3	RISK MANAGEMENT
<p data-bbox="268 353 603 452">RISK MANAGEMENT IN OFFSHORE FINANCIAL CENTRES</p> <p data-bbox="322 766 603 864">BUSINESS ACCEPTANCE AND ADMINISTRATION</p> <p data-bbox="306 1205 603 1267">RISK MANAGEMENT AND CONTROL</p>	<p data-bbox="630 353 938 385">Students will be able to:</p> <ul style="list-style-type: none"> <li data-bbox="678 421 1225 586">➤ Describe the risks associated with the provision of offshore financial services <ul style="list-style-type: none"> <li data-bbox="718 488 1034 519">• Economic and political <li data-bbox="718 524 1008 555">• Regulatory and legal <li data-bbox="718 560 890 591">• Operational <li data-bbox="678 591 1136 622">➤ Identify the principal risk issues <li data-bbox="678 627 1331 689">➤ Discuss how such risks may be controlled and managed <p data-bbox="630 725 938 757">Students will be able to:</p> <ul style="list-style-type: none"> <li data-bbox="678 792 1315 1025">➤ Understand the specific risks associated with the provision of offshore financial services: in particular, risks associated with <ul style="list-style-type: none"> <li data-bbox="718 891 1021 954">• the acceptance of the business, and <li data-bbox="718 958 1053 1021">• the administration of the business <li data-bbox="678 1025 1168 1088">➤ Understand the purpose of a Risk Management Action Plan <p data-bbox="630 1124 938 1155">Students will be able to:</p> <ul style="list-style-type: none"> <li data-bbox="678 1191 1308 1223">➤ Understand the role of compliance and audit <li data-bbox="678 1227 1305 1290">➤ Outline the compliance reports which should be available and their purpose <li data-bbox="678 1294 1212 1357">➤ Discuss the implementation of a Risk Management Action Plan

Business Management in Practice Syllabus

Overview

Part 1 – Management Principles

- Theories of management
- Understanding human behaviour
- Management in practice
- Management and work
- Organisations as systems

Part 2 – The Nature of the Organisation

- Decision-making and planning
- Organisation structures and design
- Business functions

Part 3 – Managing the Business Environment

- The nature of the business environment
- Local, national and international environments
- Managing change

Detailed Syllabus

PART 1	MANAGEMENT PRINCIPLES
<p>THEORIES OF MANAGEMENT</p> <p>MANAGEMENT AND WORK</p> <p>ORGANISATIONS AS SYSTEMS</p> <p>MANAGEMENT, HUMAN BEHAVIOUR AND BEHAVIOURAL THEORY</p> <p>MANAGEMENT IN PRACTICE</p>	<p>On successful completion of this module, students will be able to:</p> <ul style="list-style-type: none"> ➤ explain the purpose and functions of management ➤ discuss the different roles of the manager, particularly as written about by Fayol, Drucker, Handy, Mintzberg, and Stewart ➤ discuss the organisational context of work, and the role of managers in directing work ➤ discuss Taylor, Mayo, job analysis and design, including the Human Relations School, job enlargement, enrichment and empowerment, and more recent approaches particularly Belbin ➤ discuss the concept of competences ➤ discuss concepts of organisations as systems ➤ explain the concept of organisations as open systems, closed systems, and socio-technical systems ➤ discuss the importance of control and various models of control ➤ discuss the value and limitations of the systems approach ➤ discuss the concepts of personality, individual development and its consequences, personality differences and work behaviour ➤ explain the nature of the perceptual process ➤ identify the problems with regard to perception ➤ discuss the significance of attitudes and diversity ➤ explain the importance of understanding motivation ➤ discuss main theories of motivation, interventions that can be employed to improve motivation, and how job design, satisfaction, participation and rewards can improve motivation ➤ explain the importance of leadership ➤ evaluate the different theories of leadership

PART 2	THE NATURE OF THE ORGANISATION
ORGANISATIONAL HIERARCHIES	<ul style="list-style-type: none"> ➤ discuss co-ordination, and organisational structure and design ➤ explain job design and work structuring ➤ discuss structural configurations and the design of hierarchies ➤ distinguish between authority, delegation and responsibility ➤ evaluate the relative merits of centralisation and decentralisation, and of bureaucratic and organic structures ➤ discuss outsourcing and the virtual firm
BUSINESS FUNCTIONS	<ul style="list-style-type: none"> ➤ discuss the functions of marketing, sales, research and development, production, quality, purchasing and materials management, human resources management, and finance
GROUPS	<ul style="list-style-type: none"> ➤ discuss the characteristics, functions, formation and effectiveness of work groups ➤ discuss the nature of group conflict
PLANNING AND DECISION MAKING	<ul style="list-style-type: none"> ➤ discuss types of decision ➤ contrast the different levels of planning ➤ evaluate the nature and alternative models of decision making ➤ explain feedback failure ➤ discuss planning and control mechanisms ➤ discuss the power of internal stakeholders

PART 3	MANAGING THE BUSINESS ENVIRONMENT
THE BUSINESS ENVIRONMENT	<ul style="list-style-type: none"> ➤ discuss the concept of the business environment ➤ evaluate how the business environment may be analysed ➤ explain the concepts of social responsibility and ethics
THE LOCAL, NATIONAL AND INTERNATIONAL ENVIRONMENT	<ul style="list-style-type: none"> ➤ discuss the importance of culture ➤ distinguish between local, national and international environments, and explain the influence of national cultures on organisations ➤ discuss globalisation, and factors affecting the attitudes and practices of managers in different countries
MANAGING CHANGE	<ul style="list-style-type: none"> ➤ discuss the nature of change, and different forces for change ➤ discuss the interrelationship between change and the individual ➤ discuss various models for change ➤ discuss the management of conflict

Governance and Reporting Syllabus

Overview

Part 1 – Governance and Uses

- Public and private limited companies
- Principles, codes and roles
- Multinational corporate uses of offshore vehicles
- OECD report on the misuse of corporate vehicles
- Finance sector regulation
- Ship registration and management
- Private uses of offshore vehicles and structures
- Partnerships offshore

Part 2 – Reporting and Interpretation

- Financial reporting environment
- Types of trusts and accounting treatment
- Accounting concepts, conventions, principles and standards
- Tangible fixed assets
- Reporting financial performance
- Intangible fixed assets
- Accounting for post balance sheet events
- Provisions, contingent liabilities and assets
- Ratio analysis in respect of profitability, liquidity and gearing
- Cash flow statements

<p>SHIP REGISTRATION AND MANAGEMENT</p>	<ul style="list-style-type: none"> ➤ outline types of ship registry, and indicate the largest open registries ➤ discuss the expression 'flag of convenience' ➤ evaluate the advantages and potential disadvantages of registration in an offshore centre ➤ discuss whether a ship needs to be locally owned and locally managed in the offshore centre selected
<p>PRIVATE USES OF OFFSHORE VEHICLES AND STRUCTURES</p>	<ul style="list-style-type: none"> ➤ discuss the effectiveness of single-, two- and three-tier offshore trust and company structures for investment and property holding and designed to avoid or reduce probate formalities, to provide confidentiality, to offer protection against creditors or forced heirs, or for receiving payments of commissions or royalties ➤ discuss potential problems if the client wishes to retain an element of control
<p>PARTNERSHIPS OFFSHORE</p>	<ul style="list-style-type: none"> ➤ define a partnership, and distinguish between types of partnership, and state which are more commonly found offshore ➤ discuss the structure, and possible tax effects of offshore limited partnerships, together with their formation, typical periodic requirements, and main uses as investment vehicles, asset-protection vehicles, and quasi-trusts
<p>OECD REPORT ON THE MISUSE OF CORPORATE VEHICLES</p>	<ul style="list-style-type: none"> ➤ discuss the scope and focus of the OECD Report on the Misuse of Corporate Vehicles, with reasons why offshore companies are often thought apt for misuse ➤ outline the three Fundamental Objectives recommended by the report ➤ evaluate the options for obtaining beneficial ownership and control information; the potential risks run by services providers (SPs); and the procedures to be followed to minimise these risks
<p>FINANCE-SECTOR REGULATION</p>	<ul style="list-style-type: none"> ➤ explain types of banking licence issued, and government attitudes to the granting of banking licences ➤ assess offshore banking and investment-industry regulation and supervision



PART 2	REPORTING AND INTERPRETATION
<p data-bbox="373 360 614 456">THE FINANCIAL-REPORTING ENVIRONMENT</p> <p data-bbox="268 1104 614 1200">TYPES OF TRUSTS AND ACCOUNTING TREATMENT</p> <p data-bbox="411 1973 614 2004">ACCOUNTING</p>	<p data-bbox="639 360 951 392">Students will be able to:</p> <ul data-bbox="687 427 1334 1032" style="list-style-type: none"> ➤ outline the impact of the Companies Act 1985 (CA85) on financial accounting ➤ explain why CA85 specifies a layout for the published profit-&-loss account and balance sheet of a limited company ➤ outline the main CA85 provisions relating to the presentation of published accounts ➤ outline the nature, scope and authority of accounting standards ➤ explain the nature of SSAPs and FRSs ➤ discuss the relative merits of standardisation and choice of accounting treatment ➤ identify the elements of Generally Accepted Accounting Practice (GAAP), and the advantages of International Accounting Standards (IASs) ➤ distinguish between UK and US approaches to substance and form <p data-bbox="687 1070 999 1102">Students will be able to:</p> <ul data-bbox="687 1137 1334 1843" style="list-style-type: none"> ➤ explain the need to hold income and capital separately ➤ describe what constitutes income ➤ describe the restrictions on accumulation ➤ outline what constitutes capital and rules on advancement and appropriation ➤ draw up a balance sheet, and provide a schedule of trust investments and movements ➤ provide meaningful notes to the accounts and comment on performance and revaluation ➤ prepare an income-&-expenditure account and a capital account ➤ draft a trustee report ➤ explain differences in accounting for discretionary trusts, accumulation-&-maintenance trusts, and interest-in-possession trusts ➤ explain the obligations of trustees to prepare financial statements, and how and why these differ from the responsibilities of directors of companies <p data-bbox="687 1879 999 1910">Students will be able to:</p> <ul data-bbox="687 1946 1230 2004" style="list-style-type: none"> ➤ describe the standard setting process ➤ understand the importance of the two

<p>CONCEPTS, CONVENTIONS, PRINCIPLES, AND STANDARDS</p>	<p>underlying accounting concepts as per FRS 18</p> <ul style="list-style-type: none"> ➤ explain the nature and purpose of accounting conventions
<p>TANGIBLE FIXED ASSETS</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ define depreciation in accordance with FRS 15 ➤ explain how to account for changes in the estimated useful life of a fixed asset ➤ explain how to account for a change of depreciation policy ➤ show and explain how the balances will be disclosed in the financial statements in accordance with FRS 15 ➤ explain revaluations and devaluations, and make and explain calculations
<p>REPORTING FINANCIAL PERFORMANCE</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ define the scope of FRS 3 ➤ outline the main provisions of FRS 3 relating to the presentation of published accounts ➤ prepare notes for statement of total recognised gains and losses, reconciliation of movement in shareholder's funds and note of historical cost profit and losses <p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ define and give examples of intangibles ➤ define goodwill as per FRS 10 ➤ distinguish between the different types of goodwill ➤ describe valuation methods for goodwill as per FRS 10
<p>INTANGIBLE FIXED ASSETS</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ define and explain research and development in accordance with SSAP 13 ➤ classify expenditure as pure or applied research or development ➤ outline the accounting treatment of R & D ➤ show how to disclose R & D in accordance with SSAP 13 <p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ define PBSEs in accordance with FRS 21
<p>ACCOUNTING FOR POST BALANCE SHEET EVENTS (PBSES)</p>	<p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ define and explain research and development in accordance with SSAP 13 ➤ classify expenditure as pure or applied research or development ➤ outline the accounting treatment of R & D ➤ show how to disclose R & D in accordance with SSAP 13 <p>Students will be able to:</p> <ul style="list-style-type: none"> ➤ define PBSEs in accordance with FRS 21

<p>PROVISIONS, CONTINGENT LIABILITIES, AND CONTINGENT ASSETS</p>	<ul style="list-style-type: none"> ➤ differentiate between adjusting events and non-adjusting events ➤ outline the accounting treatment for PBSEs as per FRS 21 <p>Students will be able to:</p>
<p>RATIO ANALYSIS IN RESPECT OF PROFITABILITY, LIQUIDITY, AND GEARING</p>	<ul style="list-style-type: none"> ➤ define provisions as per FRS 12 ➤ define contingent liabilities and contingent assets in accordance with FRS 12 ➤ distinguish between the different categories of contingency ➤ outline the accounting treatment and disclosure requirements in accordance with FRS 12 <p>Students will be able to:</p>
<p>CASHFLOW STATEMENTS</p>	<ul style="list-style-type: none"> ➤ list the internal and external users of financial statements ➤ outline what information may be particularly relevant to each user group ➤ explain the important features of financial statements ➤ explain why understandability is an important characteristic of financial statements ➤ discuss the purpose of cashflow statements ➤ explain the need for a cashflow statement ➤ outline the standard format for a cashflow statement and for the relevant notes ➤ prepare a cashflow statement in accordance with FRS 1 ➤ assess the usefulness of the information given by the cashflow statement

Portfolio Management Syllabus

Overview

Part 1 – Investment Strategy

- Investment advice
- Portfolio management
- Risk

Part 2 – Taxation

- International tax
- UK tax

Part 3 – Regulatory Environment

- Regulation in the UK, USA and Europe
- Takeover rules

Detailed Syllabus

PART 1	INVESTMENT MANAGEMENT
<p>INVESTMENT ADVICE AND PORTFOLIO PERFORMANCE MANAGEMENT</p> <p>INVESTMENT APPRAISAL</p> <p>MODERN PORTFOLIO THEORY (MPT)</p> <p>CAPITAL ASSET PRICING MODEL (CAPM)</p> <p>COLLECTIVE INVESTMENT SCHEMES (CISs)</p> <p>INTERNATIONAL</p>	<p>On successful completion of this Part, students will be able to:</p> <ul style="list-style-type: none"> ➤ discuss fund management in terms of benefits, approach, the role of fund managers, and diversification ➤ discuss the components of and balance between risk and return ➤ discuss institutional investment management in terms of types of fund and strategies ➤ explain the uses, advantages, and disadvantages of indices ➤ discuss individual investment advice in terms of criteria, identifying the customer's needs and objectives, and portfolio development and review ➤ outline sources of information ➤ distinguish between profit maximisation and wealth maximisation ➤ discuss the following concepts and make relevant calculations: <ul style="list-style-type: none"> - return on capital employed (ROCE); - payback period; - time value of money and terminal values; present value and net present value; - discount factors; and - internal rate of return (IRR) ➤ discuss Modern Portfolio Theory (MPT) ➤ explain applications of MPT ➤ discuss the concepts of efficient frontier and capital market line ➤ discuss systematic risk and unsystematic risk, and the assumptions underlying the construction of the Capital Asset Pricing Model (CAPM) and its limitations ➤ apply the CAPM formula to equity portfolio selection decisions ➤ discuss types of unit trust, including their benefits, and the role of the manager and the trustee ➤ discuss investments trusts, venture, and open-ended investment companies, and distinguish between them and unit trusts ➤ distinguish between direct foreign investment and international portfolio investment

PART 2	TAXATION AND REGULATION
<p data-bbox="368 416 612 479">INTERNATIONAL TAXATION</p> <p data-bbox="501 651 612 680">UK TAX</p> <p data-bbox="416 1189 612 1252">US AND UK REGULATION</p> <p data-bbox="416 1559 612 1621">EUROPEAN REGULATION</p>	<p data-bbox="639 315 1347 378">On successful completion of this Part, students will be able to:</p> <ul style="list-style-type: none"> <li data-bbox="687 416 1187 448">➤ distinguish between types of taxes <li data-bbox="687 450 1339 515">➤ discuss double taxation (DT), DT agreements, types of DT relief, and overspill <li data-bbox="687 517 1302 548">➤ discuss profits taxes, and withholding taxes <li data-bbox="687 551 1347 616">➤ outline sales taxes, and stamp duty, and name other types of indirect tax <li data-bbox="687 651 1273 750">➤ differentiate between residence, ordinary residence and domicile, and explain their significance for income-tax purposes <li data-bbox="687 752 1259 817">➤ outline taxable income, allowances, and exemptions <li data-bbox="687 819 1299 884">➤ outline the income-tax treatment of married couples <li data-bbox="687 887 1318 918">➤ outline UK tax treatment of overseas income <li data-bbox="687 920 1370 1052">➤ define what is meant by chargeable persons, exempt persons, chargeable assets, chargeable disposals, exempted gains and transactions, and principal private residence <li data-bbox="687 1055 1362 1120">➤ explain the rules in relation to UK capital-gains tax (CGT) indexation allowance, and taper relief <li data-bbox="687 1155 1355 1220">➤ distinguish between pluralistic and sole-agency approaches to financial-services supervision <li data-bbox="687 1223 1291 1288">➤ outline the US system of financial-services supervision <li data-bbox="687 1290 1347 1355">➤ evaluate the advantages and disadvantages of the sole-agency approach as found in the UK <li data-bbox="687 1357 1362 1422">➤ explain how a UK quoted company might fund a major overseas acquisition <li data-bbox="687 1458 1331 1556">➤ discuss the framework of European financial-services regulation and ongoing issues in the creation of a single market in financial services <li data-bbox="687 1559 1378 1691">➤ explain passporting, and treaty rights, and outline the scope of the Investment Services (ISD), and the role and responsibility of home and host states <li data-bbox="687 1693 1362 1758">➤ identify rules concerning electronic cross-border activity <li data-bbox="687 1760 1370 1892">➤ outline the work of International Organisation of Securities Commissions (IOSCO), the Basel Committee on Banking Supervision (BCBS), and the Financial Action Task Force (FATF) <li data-bbox="687 1928 1378 1993">➤ explain the scope of the UK Companies Act 1985 as amended

TAKEOVERS

- explain the work of the Panel on Takeovers and Mergers (PTM), and the advantages and disadvantages of self-regulation
- explain the scope of the European Takeover Directive
- explain the scope and General Principles of the City Code, and the timetable of an offer
- summarise some important percentage share stakes and their consequences