

AIA QUALIFICATION SPECIFICATION

AIA DIPLOMA IN PROFESSIONAL ACCOUNTANCY (RQF) LEVEL 7

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1.0 ENTRY REQUIREMENTS

Applicants for the Level 7 Diploma in Professional Accountancy must hold either the AIA Diploma in Accountancy Level 6 or another qualification at level 6 or level 5.

Graduates with any degree discipline are welcome to apply.

No exemptions from assessment are offered at this level; students must be assessed by AIA in all four component papers.

2.0 OBJECTIVE

The objective of the Diploma in Professional Accountancy is to ensure successful candidates are able to reformulate and use relevant understanding, methodologies and approaches to address problematic situations that involve many interacting factors; this includes taking responsibility for planning and developing courses of action that initiate or underpin substantial change or development, as well as exercising broad autonomy and judgement. It also reflects an understanding of relevant theoretical and methodological perspectives, and how they affect their area of study or work.

3.0 CONTENT

The qualification is made up of four written, unseen, closed book exam papers. Each exam is three hours long with an additional fifteen minutes reading time. Students must achieve a mark of fifty per cent and meet the specified learning outcomes for each paper in order for a pass to be awarded. Students who do not satisfy these criteria will be notified of a fail. Marks or other grading is not provided.

Module E Paper Title	RQF Level	Total Qualification Time
13. Financial Accounting 3	7	203
14. Financial Management	7	203
Module F Paper Title	RQF Level	Total Qualification Time
15. Professional Practice	7	203
16. Taxation and Tax Planning	7	203

SPECIFICATION

Students must enter a minimum of two out of the four papers that make up the Diploma in Professional Accountancy Qualification; it is possible to take more than two and up to a total of four papers. Any passes awarded will be retained.

At the next consecutive exam session students will be required to take at least any two exam papers which can include any previous failed paper(s). If only one exam paper remains outstanding the student will be required to take that paper at each subsequent exam session until a pass is achieved.

COVERAGE AND DEPTH OF TOPICS

Detailed information on each topic can be found in the [AIA Syllabus](#)

Paper 13 Auditing	Topic Weighting
13.1 Contemporary Issues	15%
13.2 Financial Statements of Groups	45%
13.3 Business Combinations	10%
13.4 Accounting and Reporting Techniques	30%

Paper 14 Financial Management	Topic Weighting
14.1 The Financial Environment	5%
14.2 Capital Requirements and Consent Costs	15%
14.3 The Investment Decision	20%
14.4 Working Capital Management	5%
14.5 Valuation and Corporate Change	15%
14.6 International Finance and Interest rate risk	10%
14.7 Global Issues in Management Accounting	30%

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Paper 15 Professional Practice (Auditing)	Topic Weighting
15.1 Regulatory Issues and Professional Practices	20%
15.2 Statutory Audit and Other Evaluation	25%
15.3 Audit Strategy and Process	25%
15.4 Reporting and Communicating	10%
15.5 Current Professional Issues and Pronouncements	20%

Paper 16 Taxation and Tax Planning	Topic Weighting
16.1 The UK Taxation System	5%
16.2 Income Tax	15%
16.3 Corporation Tax	15%
16.4 Capital Gains Tax	15%
16.5 Inheritance Tax	10%
16.6 Value Added Tax	10%
16.7 Taxation of Overseas Operations	5%
16.8 Tax Planning	25%

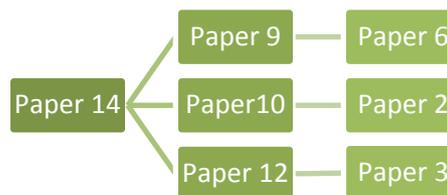
4.0 PROGRESSION

Key subject expertise is systematically developed within the AIA Professional Qualification curriculum.

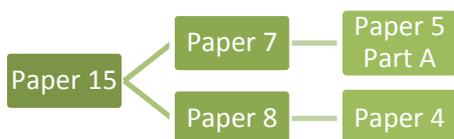
Each of the four papers that make up the Diploma in Professional Accountancy Level 7 is underpinned by knowledge and the application of that knowledge assessed in the Diploma in Accountancy Level 6 papers and the Certificate in Accountancy Level 5 papers. The diagram below illustrates the paper groupings and the process of progression.

MODULE E

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MODULE F



5.0 ASSESSMENT CRITERIA

Approximately ninety percent of each paper at this level is dedicated to the assessment of the application of knowledge and ten percent tests detailed specialist knowledge.

Lists of examinable accounting standards along with level competency descriptors and suggested reading for each of these papers are published in the [AIA Syllabus](#)

In addition, each assessment has a set of learning outcomes that a student must demonstrate before a pass is awarded.

The aim of each paper and associated learning outcomes are listed below; the learning outcomes are in **Bold**.

PAPER 13 FINANCIAL ACCOUNTING 3

The aim of the paper is to examine a candidate's ability to critically evaluate current thought and developments in international financial accounting and reporting; apply knowledge and professional judgement in an assessment of the requirements of international financial reporting standards and other reporting requirements and their ability to prepare and assess a wide variety of accounting and financial statements in a wide variety of business contexts.

Students will be required to demonstrate in their answers that they are able to,

- **prepare and assess group financial statements;**
- **prepare reports for complex business combinations covering acquisitions, amalgamations and reconstructions;**
- **prepare reports on financial performance under current accounting conventions; and**

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- **understand contemporary issues effecting financial reporting.**

PAPER 14 FINANCIAL MANAGEMENT

The aim of this paper is to test the candidate's understanding of the role of the corporate financial manager in determining the capital requirements and structures of an organisation and ascertaining the sources and costs of available capital; appraising the appropriate deployment of financial resources and the long term impact; determining dividend/retention policy and awareness of the implications within the capital market and in managing relationships with a variety of stakeholders in the environment of the organisation; evaluating strategic options and making appropriate recommendations; the installation of appropriate performance measurement systems; managing the financial consequences of global company operations.

Students will be required to demonstrate in their answers that they understand,

- **international finance including risk aspects the effects of company law on capitalisation (shares and share capital);**
- **valuation and corporate change;**
- **understand the global issues in management accounting and**
- **the ability to make rationalised investment decisions.**

PAPER 15 PROFESSIONAL PRACTICE

The objectives of the paper are to ensure that candidates can exercise judgement in the management of the audit process and in the application of audit techniques, and to evaluate and discuss issues relating to current practices and developments in auditing and associated areas.

In their assessment students will be expected to demonstrate that they are able to;

- **implement the requirements of the legal and professional frameworks.**
- **manage statutory audits and other evaluation services.**
- **develop audit strategy and processes.**
- **review audit outcomes and their implications to an organisation.**
- **substantiate change based upon current and professional issues and pronouncements.**

PAPER 16 TAXATION AND TAX PLANNING

The objective of the paper is to ensure that students have a thorough understanding of the practical aspects of the UK taxation system; an appreciation of the interaction of taxes; an ability to analyse the taxation issues of a given situation and to offer tax planning solutions.

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In their assessment students will be required to demonstrate they are able to;

- **compute taxation liabilities for individuals and companies;**
- **understand the UK tax system; and**

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- **advise on tax planning.**

6.0 ETHICAL STANDARDS

Students are required to read and be able to apply the standards outlined in The Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code). The standards are implicit in, and examinable throughout, the AIA syllabus. Please click on the link [Code of Ethics](#)