



Republic of the Philippines
Professional Regulation Commission
Manila

Professional Regulatory Board of Accountancy
Resolution No. 275
Series of 2015

**ISSUANCE AND PROMULGATION OF THE NEW TABLES OF SPECIFICATIONS (TOS)
OF THE SUBJECTS IN THE BOARD LICENSURE EXAMINATION FOR
CERTIFIED PUBLIC ACCOUNTANTS (BLECPA)**

WHEREAS, Section 9 (h) of Republic Act No. 8991, otherwise known as the PRC Modernization Act of 2000, grants to the Professional Regulatory Boards the power to prepare adopt and issue the syllabi or Tables of Specifications (TOS) of the subjects for examinations, in consultation with the academe;

WHEREAS, Section 15 of Republic Act No. 9298, also known as Philippine Accountancy Act of 2004, further grants to the Professional Regulatory Board of Accountancy (Board) the power to revise, exclude or add new subjects in the Board Licensure Examination for Certified Public Accountants (BLECPA), as the need arises;

WHEREAS, the Board and the Professional Regulation Commission (Commission) issued Resolution No. 262, Series of 2015, which instituted some changes in the subjects of the BLECPA;

WHEREAS, the revisions in the subjects of the BLECPA necessitates as well the institution of changes or modifications in the syllabi and TOS of the revised subjects;

WHEREAS, the TOS shall be the basis for the test items to be encoded or inputted in the Test Question Data Bank (TQDB);

WHEREAS, the TOS shall include the competencies covering the topical areas and sub-areas, the percentage weights and number of items, as well as the qualification descriptors for Level 6 and Level 7 which is classified as follows: Knowledge, Skills, Values (Remembering and Understanding); Application; and Degree of Independence (Analyzing, Evaluating and Creating), in accordance with the requirements of the Outcome-Based Education (OBE);

WHEREAS, the Board conducted consultations with the academe and other stakeholders in the preparation of the TOS;

WHEREAS, the Board, with guidance of the PRC Consultant for the Test Construction and Development, formulated and finalized the TOS of the BLECPA subjects;

NOW THEREFORE, the Board **RESOLVES**, as it is hereby **RESOLVED**, to prescribe, issue and promulgate the New Table of Specifications (TOS) of the subjects in the BLECPA under Resolution 262. The TOS for the revised BLECPA subjects shall be attached and made as an integral part of this Resolution as Annex A.

RESOLVED FURTHER, that the TOS herein promulgated shall be applied in the May 2016 BLECPA and the succeeding schedules thereof.

Let a copy hereof be published in the Official Gazette or in any newspaper of national circulation and further furnished the U. P. Law Center, Commission on Higher Education (CHED), all universities and schools offering B. S. in Accountancy, Board, Office of the Board Secretary, Records and Management Division, Licensure Office, Rating Division, Regional Offices and such other offices for information and guidance.

DONE in the City of Manila this 28th day of December 2015.


JOEL L. TAN-TORRES
Chairman


GLORIA T. BAYSA
Vice-Chairman


GERARD B. SANVICTORES
Member



CONCORDIO S. QUISAOT
Member


SAMUEL B. PADILLA
Member

ELISEO A. AURELLADO
Member


ARLYN S. VILLANUEVA
Member

ATTESTED BY:


ATTY. LOVELIKA T. BAUTISTA
Officer-in-Charge
Office of the Secretary to the Professional Regulatory Boards

APPROVED:

(VACANT)
Chairman


ANGELINE T. CHUA CHIACO
Acting Chairperson


YOLANDA D. REYES
Commissioner

DATE OF PUBLICATION IN THE
OFFICIAL GAZETTE : 3-14-16
DATE OF EFFECTIVITY: 3-30-16

TABLE OF SPECIFICATIONS
AUDITING

QUALIFICATION DESCRIPTORS									
				Knowledge, Skills, Values (30%)		Application (50%)	Degree of Independence (20%)		
	TOPICS/OUTCOMES	Weight	No. of Items	Remembering	Understanding	Application	Analyzing	Evaluating	Creating
	The examinees must be able to:								
1.0	Auditing Theory	50%	35						
1.1	1.1.1 Identify and describe the objectives, nature, elements and types of assurance engagements. Differentiate between assurance and attestation services		5	2	2	1			
	1.1.2 Identify and describe the nature, philosophy, and objectives of audit and differentiate among types of audit and auditors								
1.2	1.2.1 Describe the audit process. Identify and explain the procedures that comprise pre-engagement, audit planning, supervision and review. 1.2.2Perform analytical procedures, calculate materiality and assess audit risks		5		2	2	1		
1.3	1.3.1 Identify industry, regulatory and other external factors, including the applicable financial reporting framework, affecting the business entity under audit 1.3.2 Identify and describe the basic concepts and elements of internal control and assess and evaluate control risks		5		2	2	1		

83
VF
OK
J: GHS
Ji

	1.3.3 Identify and evaluate risks of material misstatements due to fraud and errors								
1.4	Explain the nature and significance of audit evidence and describe the different audit procedures and techniques in gathering evidential matters		4	1	1	2			
1.5	1.5.1 Identify the steps in preparing an audit report. 1.5.2 Explain the various review and evaluation procedures that are conducted in preparing the final audit report such as overall analytic review, identification of related party transactions, discovery of subsequent events, assessment of going concern assumption.		4	1	1	2			
1.6	1.6.1 Identify and describe the elements of an audit report 1.6.2 Differentiate between the unqualified and modified auditor's report 1.6.3 Identify matters that influence the auditor's opinion in a modified auditor's report		4		1	2	1		
1.7	1.7.1 Describe the approach in auditing a Computerized Information Systems (CIS) environment. 1.7.2 Identify and assess internal control in a CIS environment. 1.7.3 Describe computer assisted audit techniques		4		2	2			
1.8	Describe other assurance and non-assurance services such as special purpose audit engagements, audit of a component of financial statements, reports on compliance with contractual agreements, reports on summarized financial statements, examination of prospective financial information, engagements to review		4		1	2	1		

845
6458
6458

	financial statements, perform agreed-upon procedures regarding financial information, and compilation of financial information								
2.0	Evidence Accumulation and Evaluation - Substantive Tests of Transactions and Balances	50%	35						
	2.1 Audit of the revenue and receipt cycle 2.1.1 Audit of sales and revenue transactions 2.1.2 Audit of receivable balances 2.1.3 Audit of cash receipt transactions / cash balance		7		1	4	1	1	
	2.2 Audit of expenditure and disbursement cycle 2.2.1 Audit of acquisitions and purchases 2.2.2 Audit of payroll transactions 2.2.3 Audit of cash disbursement transactions / cash balance 2.2.4 Audit of inventory balances 2.2.5 Audit of trade payable balances 2.2.6 Audit of prepaid expenses and accrued liabilities		7		1	4	1	1	
	2.3 Audit of production cycle 2.3.1 Audit of conversion activities 2.3.2 Audit of inventory balances: work-in-process and finished goods 2.3.3 Audit of cost of goods sold balance		7		1	4	1	1	
	2.4 Audit of the financing cycle 2.4.1 Audit of financing cycle transactions 2.4.2 Audit of non-trade liability balances 2.4.3 Audit of interest expense and finance cost balances 2.4.4 Audit of equity accounts		7		1	4	1	1	





	2.5 Audit of investing cycle		7		1	4	1	1	
	2.5.1 Audit of investing transactions								
	2.5.2 Audit of investment account balances								
	2.5.3 Audit of property, plant and equipment account balances								
	2.5.4 Audit of intangible account balances								
				4	17	35	9	5	0
	TOTAL	100%	70		21	35		14	

6/15/20

for

for

for

for

for

TABLE OF SPECIFICATIONS
TAXATION

Topics and Outcomes	Weight (In Percent)	No of Items	Qualification Descriptors (L6 and L7)							
			Knowledge, Skills, Values (KSV) (30%)		Degree of Independence (20%)					
			Remembering	Understanding	Application (50%)	Analyzing	Evaluating	Creating		
The examinees must be able to:										
1.0 PRINCIPLES OF TAXATION			10	7	1	1	4		1	
1.1	Describe the nature, scope, classification, and essential characteristics									
1.2	Identify the principles of sound tax system									
1.3	Discuss the limitations on the power of taxation									
1.4	Differentiate tax evasion vs. tax avoidance									
1.5	Determine the situs/place of taxation									
1.6	Explain double taxation									
1.7	Discuss the legislation of tax laws									
1.8	Apply the impact of taxes in nation building									
1.9	Evaluate ethical tax compliance and administration									
1.10	Describe the organization of the Bureau of Internal Revenue, Bureau of Customs, Local Government Tax Collecting Units, Board of Investments, Philippine Economic Zone Authority									
2.0 TAX REMEDIES			12.5	9	1	2	5		1	
2.1	Evaluate the remedies of the government									
2.2	Apply the remedies of the taxpayer									
2.3	Explain the expanded jurisdiction of the Court of Tax Appeals									
3.0 INCOME TAXATION			20	14	2	2	7	1	1	1
3.1	Identify the taxpayer and tax base									
3.2	Compute gross income									
3.3	Analyze the deductions from gross income									
3.4	Determine accounting periods									
3.5	Apply the accounting methods									
3.6	Apply tax return preparation and filing and tax payments									
3.7	Analyze withholding taxes (at source, expanded or creditable withholding tax, final withholding taxes and withholding tax on government payments)									
3.8	Determine compliance requirements									
4.0 TRANSFER TAXES			15	10	1	2	5	1	1	
4.1	Describe, analyze and compute estate tax									



6988












TABLE OF SPECIFICATIONS
REGULATORY FRAMEWORK FOR BUSINESS TRANSACTIONS

(May 2016)

Topics and Outcomes	Weight (in Percent)	No. of Items	Qualification Descriptors (L6 and L7)					
			Knowledge, Skills, Values (KSV) (30%)			Degree of Independence (20%)		
			Remembering	Understanding	Application (50%)	Analyzing	Evaluating	Creating
The examinees must be able to:								
1.0 LAW ON BUSINESS TRANSACTION								
1.1 OBLIGATIONS	15%	15		4	8	2	1	
1.1.1 Describe the sources of obligations and their concepts								
1.1.2 Enumerate and explain the different kinds of obligations								
1.1.3 Identify the specific circumstances affecting obligations in general								
1.1.4 Explain the duties of obligor in obligation to do or not to do								
1.1.5 Enumerate and explain the GROUNDS for the extinguishment of obligations								
1.2 CONTRACTS	15%	15		5	7	2	1	
1.2.1 Explain the concepts and classification								
1.2.1 Describe the elements and stages								
1.2.3 Differentiate freedom from contract and limitation								
1.2.4 Identify the persons bound								
1.2.5 Explain consent and its requisites								
1.2.6 Describe the object and cause of contracts								
1.2.7 Enumerate and explain the consideration of contracts								
1.2.8 Explain the formalities of contracts								
1.2.9 Explain reformation and interpretation of contracts								
1.2.10 Identify, explain and differentiate defective contracts								
1.3 SALES	10%	10		3	5	2		
1.3.1 Explain the nature, forms and requisites								
1.3.2 Distinguish earnest money from option money								
1.3.3 Explain the rights/obligations of vendor and vendee								

1.3.4	Describe warranties in relation to consumer laws																		
1.3.5	Explain installment sales, rights and remedies of parties																		
2.0 LAW ON CREDIT TRANSACTIONS																			
2.1 PLEDGE, REAL MORTGAGE AND CHATTEL MORTGAGE		6%	6		2	3	1												
2.1.1	Explain the nature requisites																		
2.1.2	Describe the requirements to bind the parties and third persons																		
2.1.3	Identify the obligations and rights of pledgor and pledgee																		
2.1.4	Identify the obligations and rights of mortgagor and mortgagee (effect of pactum commissorium)																		
2.1.5	Describe the modes of exstinguishment																		
3.0 NEGOTIABLE INSTRUMENTS		9%	9		3	4	2												
3.1	Describe the negotiability of instruments																		
3.2	Explain abnormal negotiable instruments																		
4.0 LAW ON BUSINESS ASSOCIATIONS																			
4.1 PARTNERSHIP		15%	15		4	8	3												
4.1.1	Distinguish the nature from corporation																		
4.1.2	Describe the elements and kinds																		
4.1.3	Explain the formalities required																		
4.1.4	Identify the rules of management																		
4.1.5	Explain the distribution of profits and losses																		
4.1.6	Explain the sharing of losses and liabilities																		
4.1.7	Decrbed themodes and retirement requirements																		
4.1.8	Identify limited partnership																		
4.2 CORPORATIONS		30%	30		9	15	5	1											
4.2.1	Describe the nature and classes of corporation																		
4.2.2	Describe the incorporation and organization of Private Corporation																		
4.2.3	Enumerate the powers of a corporation																		
4.2.4	Identify the Board of Directors/Corporate Officers																		
4.2.5	Distinguish the classes of stocks																		
4.26	Describe the powers, duties, rights and obligations of stockholders																		
4.2.7	Distinguish majority and minority control																		

   6-1-18

4.2.8	Describe the By-Laws									
4.2.9	Explain the meetings									
4.2.10	Explain corporate reorganization									
4.2.11	Describe non-stock corporation									
4.2.12	Explain the modes of dissolution and liquidation									
4.2.13	Identify foreign corporations									
4.2.14	Describe the kinds and availability of corporate books									
				0	30	50	17	3	20	0
	TOTAL	100	100		30	50			20	

AS

0

688

10.

10

TABLE OF SPECIFICATIONS REGULATORY FRAMEWORK FOR BUSINESS TRANSACTIONS

(October 2017)

Topics and Outcomes	Weight (in Percent)	No. of Items	Qualification Descriptors (L6 and L7)					
			Knowledge, Skills, Values (KSV) (30%)		Application (50%)	Degree of Independence (20%)		
			Remembering	Understanding		Analyzing	Evaluating	Creating
The examinees must be able to:								
1.0 LAW ON BUSINESS TRANSACTIONS								
1.1 OBLIGATIONS	10%	10		3	5	1	1	
1.1.1 Explain the nature, forms and requisites								
1.1.2 Distinguish earnest money from option money								
1.1.3 Explain the rights/obligations of vendor and vendee								
1.1.4 Describe warranties in relation to consumer laws								
1.1.5 Explain installment sales, rights and remedies of parties								
1.2 CONTRACT	10%	10		3	5	1	1	
1.2.1 Explain the concepts and classification								
1.2.2 Describe the elements and stages								
1.2.3 Differentiate freedom from contract and limitation								
1.2.4 Identify the persons bound								
1.2.5 Explain consent and its requisites								
1.2.6 Describe the object and cause of contracts								
1.2.7 Enumerate and explain the consideration of contracts								
1.2.8 Explain the formalities of contracts								
1.2.9 Explain reformation and interpretation of contracts								
1.2.10 Identify, explain and differentiate defective contracts								
1.3 SALES	7%	7		2	3	2		
1.3.1 Explain the nature, forms and requisites								
1.3.2 Distinguish earnest money from option money								
1.3.3 Explain the rights/obligations of vendor and vendee								
1.3.4 Describe warranties in relation to consumer laws								
1.3.5 Explain installment sales, rights and remedies of parties								

Handwritten signatures and initials in blue ink.

Handwritten signatures and initials in blue ink.

2.0 LAW ON CREDIT TRANSACTIONS									
2.1 PLEDGE, REAL MORTGAGE AND CHATTEL MORTGAGE									
2.1.1 Explain the nature requisites		3%	3				2	1	
2.1.2 Describe the requirements to bind the parties and third persons									
2.1.3 Identify the obligations and rights of pledgor and pledgee									
2.1.4 Identify the obligations and rights of mortgagor and mortgagee (effect of pactum commissorium)									
2.1.5. Describe the modes of extinguishment									
2.2 INSOLVENCY LAW		5%	5			2	2	1	
2.2.1 Describe of insolvency									
2.2.2 Describe suspension of payments									
2.2.3 Describe and explain voluntary insolvency									
2.3 CORPORATE REHABILITATION		5%	5			2	2	1	
2.3.1 Describe and Define terms									
2.3.2 Identify the grounds for stay order									
2.3.3 Describe the duties of the receiver									
2.3.4 Describe the contents of the Rehabilitation Plan									
2.3.5 Describe the contents of Petition and other types of Rehabilitations									
3.0 NEGOTIABLE INSTRUMENTS AND BOUNCING CHECKS LAW									
3.1 NEGOTIABLE INSTRUMENTS									
3.1.1 Describe the negotiability of instruments		4%	4			1	2	1	
3.1.2 Explain abnormal negotiable instruments									
3.2 BOUNCING CHECKS									
3.2.1 Describe checks without insufficient funds		3%	3				2	1	
3.2.2 Identify the Evidence of knowledge of insufficient funds									
3.2.4 Expalin Credit Construed									
4.0 LAW ON BUSINESS ASSOCIATIONS									
4.1 PARTNERSHIP									
		10%	10			3	5	2	

Handwritten signature

Handwritten mark

Handwritten signature

Handwritten signature

TABLE OF SPECIFICATIONS
FINANCIAL ACCOUNTING AND REPORTING

Topics/Outcomes		Weight	No. of items	Qualifications Descriptors (L6 and L7)					
				Knowledge, Skills, Values (KSV) (30%)	Application (50%)	Degree of Independence (20%)			
The examinees must be able to:				Remembering	Understanding	Analyzing	Evaluating	Creating	
1.0	Development of Financial Reporting Framework and Standard Setting Bodies, Regulation of the Accountancy Profession	2.86%	2		2				
	1.1 Identify the functions of the IASB or the FRSC								
2.0	Accounting Process	2.86%	2			1	1		
	2.1 Adjusting Entries								
	2.1.1 Apply accrual basis for adjusting entries (accrual or deferral)								
	2.2 Accounting Cycle								
	2.2.1 Illustrate the accounting cycle								
3.0	Presentation of Financial Statements	14.29%	10		4	5	1		
	3.1. Conceptual Framework								
	3.1.1 Describe the basic objective of financial statements								
	3.1.2 Interpret the qualitative characteristics of financial information.								
	3.1.3 Define and distinguish the elements of financial statements.								
	3.1.4 Distinguish financial capital from physical capital								
	3.2. Presentation of Financial Statements								
	3.2.1 Describe any of the general features of financial statements (TOA)								
	3.2.2 Compute current and non-current assets								
	3.3.3 Compute current liabilities and non-current liabilities								
	3.3.4 Compute profit from continuing operations.								
	3.3.5 Compute revenues, expenses, or profit or loss from discontinued operations								
	3.3.6 Compute cash flows from operating, investing or financing activities								

Handwritten signature and initials in blue ink.

Handwritten mark in blue ink.

Handwritten signature in blue ink.

Handwritten signature in blue ink.

Handwritten signature in blue ink.

	5.1.3	Apply the lower of cost and net realizable value for measurement of inventories or cost of goods sold.																	
	5.1.4	Use estimating procedures (average retail inventory or gross profit method in measuring inventories shortage or loss from catastrophe.																	
	5.2.	Property, Plant and Equipment																	
	5.2.1	Describe the nature of property, plant and equipment and the applicable recognition principles for initial recognition, measurement and derecognition.																	
	5.2.2	Determine the initial recognition basis for PPE acquired for cash purchase, exchange, deferred payment, self construction or donation																	
	5.2.3	Apply an appropriate depreciation method to measure carrying value of property, plant and equipment.																	
	5.2.4	Evaluate whether an item of PPE is impaired.																	
	5.3	Investment Property																	
	5.3.1	Describe the nature of investment property																	
	5.3.2	Apply the measurement principles applicable to investment property																	
	5.4	Intangibles																	
	5.4.1	Describe the nature of intangible assets and the applicable recognition principles for initial recognition, measurement and derecognition.																	
	5.4.2	Apply the principles for classifying expenditures relating to research and development of intangible assets																	
	5.4.3	Record subsequent expenditures relating to intangible assets and compute amortization or carrying amount.																	
	5.5	Biological Assets																	
	5.5.1	Describe the nature of biological assets and the applicable recognition principles for initial recognition, measurement and derecognition.																	
	5.5.2	Account for biological assets after initial recognition																	
	5.6	Non-current Assets Held for Sale																	

Handwritten initials in blue ink.

Handwritten mark in blue ink.

Handwritten signatures and initials in blue ink.

	5.6.1	Apply the criteria for classifying the assets as Held for Sale and the initial and subsequent measurement principles.																	
6.0	Financial Liabilities and Non-Financial Liabilities		10%	7		2	5												
	6.1	Financial Liabilities																	
	6.1.1	Record accounts payable and other trade liabilities																	
	6.1.2	Apply the principles for initial recognition and subsequent measurement of short-term and long-term financial liabilities																	
	6.1.3	Describe the nature and three forms of debt restructuring.																	
	6.1.4	Apply the principles for derecognition of financial liabilities.																	
	6.2	Non-Financial Liabilities																	
	6.2.1	Formulate entries for premiums and warranties.																	
	6.2.2	Measure unearned revenues for gift certificates and subscriptions																	
	6.3	Provisions and Contingencies																	
	6.3.1	Define contingent liabilities, contingent assets, and provisions.																	
	6.3.2	Apply the recognition criteria for liabilities and assess the status of uncertainties relating to provisions, contingent liabilities and contingent assets.																	
	6.3.3	Apply measurement principles for provisions.																	
7.0.	Equity		14.28%	10		3	4	1	2										
	7.1	Share Capital Transactions																	
	7.1.1	Describe the nature, recognition, measurement of share capital																	
	7.1.2	Record issuance and retirement of preference and ordinary share.																	
	7.1.3	Record purchase and subsequent sale of treasury shares.																	
	7.1.4	Evaluate the effects of share split, purchase and resale of treasury shares and other equity transactions.																	
	7.1.5	Record recapitalization and quasi-reorganization																	
	7.2.	Dividends																	
	7.2.1	Describe the different types of dividends.																	
	7.2.2	Analyze the effects of dividends on assets, liabilities and equity.																	
	7.3	Retained Earnings																	









	7.3.1	Describe the nature of retained earnings																	
	7.3.2	Analyze the effects of dividends, profit, change in accounting policy, correction of prior period errors, and recapitalization on retained earnings.																	
	7.4.	Other Comprehensive Income																	
	7.4.. 1	Identify the elements that affect other comprehensive income.																	
	7.5	Book Value per Share and Earnings per Share																	
	7.5. 1	Describe the significance and computation of book value per share.																	
	7.5.2	Evaluate earnings per share information (including dilution of EPS)																	
	7.6.	Share-based Payments																	
	7.6. 1	Describe the nature and types of share-based payment transactions.																	
	7.6. 2	Prepare entries for equity-settled, cash-settled, and equity-settled with cash alternative share-based payment transactions.																	
8.0.	Borrowing Costs, Leases , Income Tax and Employee Benefits		8.57%	6				1		5									
	8. 1	Borrowing Costs																	
	8.1. 1	Describe the nature of borrowing costs, identify the criteria for capitalizing borrowing costs.																	
	8.2	Leases																	
	8.2. 1	Apply accounting standards applicable to operating leases.																	
	8.2. 2	Apply accounting standards applicable to finance leases.																	
	8.3	Income Tax																	
	8.3. 1	Distinguish accounting profit from taxable profit.																	
	8.3. 2	Measure and record income tax payable.																	
	8.3. 3	Measure and record deferred portion of income tax.																	
	8.4	Employee Benefits																	
	8.4. 1	Measure employee benefit cost under defined benefit plan.																	
	8.4. 2	Measure and disclose resulting defined benefit liability (asset).																	
9.0.	Interim Reporting		2.86%	2				1		1									
	9. 1	Describe the purpose and underlying rationale for interim reports.																	
	9.2	Apply the applicable principles for recognition of revenue and expenses for interim reporting purposes.																	

648

Handwritten signatures and initials at the bottom of the page.

10.0.	Small and Medium-Sized Entities	5.71%	4	1	1	1			1
	10.1	Define small and medium-sized entities under IFRS and SEC regulations.							
	10.2	Describe simplified reporting requirements applicable to SMEs.							
	10.3	Describe the peculiarities in reporting property, plant and equipment, investment property, intangible assets, biological assets and assets held for sale by an entity categorized as SME							
	10.4	Apply the principles for reporting investments in equity and debt securities applicable to SMEs							
	10.5	Construct the financial statements of SMEs.							
11.0.	Cash to Accrual	2.86%	2	1	1				
	11.1	Describe the accrual basis of accounting, identifying its purpose							
	11.2	Compute profit based on single-entry method and reconcile with profit using the transaction approach.							
	11.3	Convert cash basis revenues and expenses to accrual basis revenues and expenses							

TOTAL

100% 70


1	20	35	7	5	2
21	35		14		









TABLE OF SPECIFICATIONS
ADVANCED FINANCIAL ACCOUNTING AND REPORTING

		QUALIFICATION DESCRIPTORS							
				KNOWLEDGE, SKILLS, VALUES (30%)		APPLICATION (50%)	DEGREE OF INDEPENDENCE (20%)		
				Remembering	Understanding	Application	Analyzing	Evaluating	Creating
	OUTCOMES/TOPICS	Weight	No. of Items						
	The examinees must be able to:								
1.0	Partnership Accounting	14.29%	10	1	2	5	1	1	
	1.1 Nature Scope and Objectives								
	1.1.1 Describe the nature scope and objectives of partnership accounting and conceptually differentiate it from single proprietorship and corporation accounting								
	1.1.2 Identify and describe the concepts, principles, rules, practices and procedures applicable in partnership accounting								
	1.2 Formation of Partnership								
	1.2.1 Determine, compute, and account the initial capital contribution of the partners in the partnership								
	1.3 Operations, Dissolutions, and/or Changes in Ownership of Interest of the Partners,								
	1.3.1 Determine, compute account and allocate the changes in the capital balances of the partners as a result of the operations and/or changes in the composition of the partners.								
	1.4 Liquidation of Partnership								
	1.4.1 Compute amount of settlement to the partners after liquidating the partnership under (a) lump-sum liquidation or (b) installment liquidation								
2.0	Corporate Liquidation	5.71%	4		1	2	1		
	2.1 Determine the order of priority of the claimants to the company assets of corporation subject to liquidation								
	2.2 Prepare the Statement of Affairs, Statement of Deficiency and Statement of Realization and Liquidation								
3.0	Joint Arrangements (PFRS 11)	5.71%	4		1	2	1		
	3.1 Joint Operations								



	3.1.1 Describe the nature and scope of joint operations 3.1.2 Differentiate from Joint Venture and Business Combinations 3.1.3 Apply the standards, principles and methods in accounting for joint operations transactions								
	3.2 Joint Venture 3.2.1 Describe the nature and scope of joint ventures 3.2.2 Differentiate it from Joint Operations and Business Combinations 3.2.3 Apply the standards, principles and methods in accounting for joint venture transactions								
4.0	Revenue Recognition	14.29%	10	1	1	6	1	1	
	4.1 Installment Sales 4.1.1 Determine point of revenue recognition under installment sales, 4.1.2 Compute the gross profit rate and account for the realized gross profit for each year of sales and the deferred gross account balance at the end of the year. 4.1.3 Determine and compute the Gain or Loss of Repossession to be recorded or recognized								
	4.2 Long – term Construction Contracts – IAS 11 / PFRS 15 4.2.1 Prepare journal entries and determine revenue, costs and gross profit 4.2.2. Ascertain the proper financial statement presentation applying the applicable PFRS Standards 4.3 Franchise Operations – Franchisor's point of view - IAS 18 / IFRS 15 4.3.1 Determine revenue, costs and gross profit and apply accounting techniques and procedures in processing franchise fee and related franchise transactions. 4.3.2 Prepare journal entries for franchise transactions.								
5.0	Accounting for Home Office, Branch and Agency Transactions	5.71%	4		1	2	1		
	5.1 Compute and reconcile reciprocal accounts and prepare individual and combined financial statements 5.2 Prepare journal entries for transactions on the books of the Home Office and the Branch 5.3 Account for special procedures in home office and branch transactions (inter – branch transfer of cash and merchandise at cost or at billed price)								
6.0	Accounting for Business Combination (PFRS 3)	5.71%	4		1	2	1		
	6.1 Describe the nature scope and characteristics of a business combination 6.2 Determine cost of acquisition of the acquirer,								




	6.3 Recognize acquired assets and liabilities, compute goodwill or gain from a bargain purchase 6.4 Prepare journal entries in the books of the acquirer 6.5 Ascertain the proper financial statement presentation of the results of business combinations transaction.								
7.0	Separate Financial Statement (PAS 27)	7.14%	5		1	3	1		
	7.1 Determine and apply accounting for investment in Subsidiary in accordance with PAS 39/PFRS 9								
	7.2 Determine and apply accounting for investment in subsidiary using the equity method.								
	7.3 Ascertain the proper financial statement presentation of the separate financial statements								
8.0	Consolidated Financial Statements (PFRS 10)	7.14%	5		1	2	1	1	
	8.1 Determine the nature, scope and application of preparation of consolidated financial statements (At cost, in accordance with PAS 39, and equity method)								
	8.2 Account for intercompany profits in inventories and plant assets,								
	8.3 Determine net income, other comprehensive income, and retained earnings/common stock/dividends attributable to Equity Holders of Parent/Controlling or Parent's Interest and, consolidated group;								
	8.4 Ascertain the proper presentation of the consolidated financial statements								
9.0	Foreign Currency Transactions	5.71%	4	1	1	2			
	9.1 Identify the applicable rate for foreign currency transactions and hedging operations.								
	9.2 Determine the gain or loss on foreign currency transactions and hedging operations								
	9.3 Ascertain the proper financial statement presentation on the foreign currency transactions and hedging operations.								
10.0	Translation of Foreign Currency Financial Statements (PAS 21/PAS 29)	5.71%	4	1	1	2			
	10.1 Translate from the Functional Currency to the presentation Currency								
	10.2 Remeasure from a Foreign Currency to the Functional Currency								
	10.3 Restate and ascertain the proper financial statements (Functional currency is the currency of a hyperinflationary economy)								
11.0	Not – for – profit organizations	2.86%	2		1	1			
	11.1 Describe the nature of business transactions and account financial reporting implications of: 11.1.1 Voluntary health and welfare organizations (VHWO) 11.1.2 Hospitals and other health care organizations 11.1.3 Colleges and Universities 11.1.4 Other not – for – profit organizations such as churches, museums, fraternity association, etc.								




14.6.3 Prepare journal entries using standard costing									
			6	15	35	10	4	0	
TOTAL	100	70	21	35	14				

TABLE OF SPECIFICATIONS
MANAGEMENT ADVISORY SERVICES

		QUALIFICATION DESCRIPTORS							
		KNOWLEDGE, SKILLS, VALUES (30%)			APPLICATION (50%)	DEGREE OF INDEPENDENCE (20%)			
TOPICS/OUTCOMES		Weight	No. of Items	Remembering	Understanding	Application	Analyzing	Evaluating	Creating
The examinees must be able to:									
1.0	Management Accounting	50.00 %	35	2	6	20	6	1	0
1.1 Describe the objectives, role and scope of management accounting and differentiate it from financial accounting			1		1				
1.2 Management accounting concepts & techniques for planning and control									
1.2.1 Identify and differentiate the different types of costs (e.g., direct, indirect; fixed, variable; inventoriable, period; opportunity cost, sunk cost) and cost accumulation methods (e.g., job order, process, and ABC costing), and their characteristics and behavior; determine their usefulness in cost planning and financial and management reporting			3			2	1		
1.2.2 Analyze the relationship of costs, volume and sales to calculate break-even points and target profit (CVP Analysis)			3			2	1		
1.2.3 Apply the concept of standard costing and variance analysis in planning and control			4			3	1		
1.2.4 Differentiate variable costing and absorption costing, analyze their effects on the financial performance and condition of the firm and use it for profit planning			2			2			
1.2.5 Prepare a master budget by analyzing the behavior of revenues and costs and use it to calculate and prepare different types of supporting budgets (e.g., production, inventory levels, operating expenses, cash budget) for planning and control purposes			3		1	1	1		
1.2.6 Apply the concept of Activity-based costing (ABC) and activity-based management (ABM) for planning and control purposes			3		1	1	1		
1.2.7 Utilize the concept of different strategic cost managements for planning and control purposes			3	1	1	1			
1.3 Management accounting concepts & techniques for performance measurement									

Handwritten signatures and initials at the bottom of the page, including a large signature on the left and several initials on the right.

	1.3.1 Identify and differentiate the different types of responsibility centers (i.e., profit center, cost center, investment center) and determine the proper accounting of transactions affecting each one. Determine the proper use of transfer pricing in measuring the performance of business operations		4			3		1	
	1.3.2 Identify and differentiate the four perspectives of the balanced scorecard and formulate performance indicators to evaluate, monitor and improve business performance		2		1	1			
	1.4 Management Accounting Concepts & Techniques for Decision Making								
	1.4.1 Identify and differentiate the various quantitative techniques and apply them properly in making sound management decisions		2	1		1			
	1.4.2 Identify and use appropriate relevant costs in making analysis and business decision								
	14.3 Apply the discounted cash flow method and the IRR method in determining cash flows and in making business decisions concerning capital expenditures.		5		1	3	1		
2.0	Financial Management	40.00 %	28	2	4	15	4	3	0
	2.1 Identify and describe the nature, objectives and scope of Financial Management in making business decisions		1	1					
	2.2 Analyze and use financial data derived from financial statements in evaluating the performance of the management and make business decisions		6		1	4		1	
	2.3 Apply different working capital (cash, receivables, inventory and other short-term resources) management methods and techniques in making short-term business decisions		5			3	1	1	
	2.4 Utilize various capital and investment management and techniques and the time value concept of money in making long-term business decisions		6	1	1	3	1		
	2.5 Differentiate the different types and measurement of risks and apply their relationships with the rate of returns		5		1	2	1	1	
	2.6 Identify and apply basic concepts and tools of capital structure management for long-term financing decision		5		1	3	1		
3.0	Management Consultancy	4.29 %	3	2	1	0	0	0	0
	3.1 Describe the nature, objectives and scope of management consultancy practice by Certified Public Accounting (CPAs)		1	1					
	3.2 Prepare a Project Feasibility Study properly by determining and utilizing essential components		2	1	1				






648



4.0	Economic Concepts essential to obtaining an understanding of entity's business and industry	5.71 %	4	2	2	0	0	0	0
	4.1 Identify and describe the basic concepts of macroeconomics that are relevant in making business decisions, and apply the concepts properly		2	1	1				
	4.2 Identify and describe the basic concepts of microeconomics that are relevant in making business decisions, and apply the concepts properly		2	1	1				
				8	13	35	10	4	0
	TOTAL	100%	70	21		35		14	

6/18

