



**CAMS**  
**Certificate in Accounting and Management Skills**  
**Examination Syllabus**

**August 2018**

## TABLE OF CONTENTS

	Page
1.0 Background Information about kasneb	i
2.0 Examinations of kasneb	ii
3.0 Examination Rules and Regulations	v
4.0 Summary of the CAMS Examination Syllabus	x

### LEVEL I

Paper No. 1	Principles of Entrepreneurship and Management	1
Paper No. 2	Introduction to Law and Ethics	3
Paper No. 3	Fundamental ICT Skills	5
Paper No. 4	Fundamentals of Business Mathematics	8

### LEVEL II

Paper No. 5	Foundations of Accounting and Auditing	10
Paper No. 6	Elements of Public Finance and Administration	13
Paper No. 7	Principles of Marketing and Communication	15

## 1.0 **BACKGROUND INFORMATION ABOUT kasneb**

### 1.1 **Historical Background of kasneb**

The history of kasneb dates back to 1964, immediately after Kenya attained independence. At that time, the Government identified a number of policy objectives, which took cognisance of the fact that:

- 1.1.1 In order for a country to develop, it was necessary to create a pool of trained personnel in the various fields of national economy;
- 1.1.2 The right direction had been taken in other fields such as medicine, agriculture, law and engineering and it was also a natural corollary that professions of accounting, finance, administration and management should follow suit;
- 1.1.3 Although the people of Kenya had benefited greatly from training in foreign countries, it was obvious that other countries could not afford to place unlimited facilities for training of foreign personnel, nor could Kenya rely entirely on other countries for the training of her personnel.

### 1.2 **Legal Foundation and Status of kasneb**

kasneb was established as a state corporation under the National Treasury by the Government of Kenya on 24 July 1969. The establishment and operations of kasneb are governed by the following main Acts:

- (a) The Accountants Act, No. 15 of 2008 (which repealed the Accountants Act, Cap 531 of 1977).
- (b) The Certified Public Secretaries of Kenya Act, Cap 534 of 1988.
- (c) The Investment and Financial Analysts Act, No. 13 of 2015.

### 1.3 **Partner Institutions**

#### 1.3.1 **Institute of Certified Public Accountants of Kenya (ICPAK)**

ICPAK is established under Section 3 of the Accountants Act, 2008. One of the functions of ICPAK is to advise kasneb on matters relating to examination standards and policies. The Act also makes provisions for the establishment of a Registration and Quality Assurance Committee (Registration Committee) under Section 13. One of the functions of the Registration Committee is to register eligible persons as Certified Public Accountants.

#### 1.3.2 **Institute of Certified Secretaries (ICS)**

ICS is established under Section 3 of the Certified Public Secretaries of Kenya Act (Cap. 534) of the Laws of Kenya. One of the functions of ICS is to advise kasneb on matters relating to examination standards and policies.

### 1.3.3 **Registration of Certified Public Secretaries Board (RCPSB)**

RCPSB is established under Section 11 of the Certified Public Secretaries of Kenya Act (Cap. 534) of the Laws of Kenya. One of the functions of RCPSB is to register eligible persons as Certified Secretaries.

### 1.3.4 **Institute of Certified Investment and Financial Analysts (ICIFA)**

ICIFA is registered under the Investment and Financial Analysts Act, No. 13 of 2015 of the Laws of Kenya. One of the functions of ICIFA is to advise kasneb on matters relating to examination standards and policies. The Act also makes provisions for the establishment of a Registration Committee under Section 13. One of the functions of the Registration Committee is to register eligible persons as Certified Investment and Financial Analysts.

### 1.3.5 **Institute of Credit Management Kenya [ICM (K)]**

ICM (K) is registered under the Societies Act, (Cap.108) of the Laws of Kenya.

## 1.4 **Functions of kasneb**

Section 17(1) of the Accountants Act, 2008 of the Laws of Kenya defines the functions of kasneb. These functions are:

- (a) To prepare syllabuses for professional, diploma and certificate examinations in accountancy, company secretarial practice and related disciplines;
- (b) To make rules with respect to such examinations;
- (c) To arrange and conduct examinations and issue certificates to candidates who have satisfied examination requirements;
- (d) To promote recognition of its examinations in foreign countries;
- (e) To investigate and determine cases involving indiscipline by students registered with the Examinations Board;
- (f) To promote and carry out research relating to its examinations;
- (g) To promote the publication of books and other materials relevant to its examinations;
- (h) To liaise with the Ministry of Education, Science and Technology in accreditation of institutions offering training in subjects examinable by the Examinations Board, and
- (i) To do anything incidental or conducive to the performance of any of the preceding functions.

## 2.0 **EXAMINATIONS OF kasneb**

kasneb offers the following examinations:

- 2.0.1 **Certificate in Accounting and Management Skills (CAMS) Examination;** for persons who wish to qualify and work as entry level accounting and management personnel in small and medium enterprises, non-governmental organisations (NGOs), public sector entities and related areas.

- 2.0.2 **Accounting Technicians Diploma (ATD) Examination;** for persons who wish to qualify and work as middle level accountants providing technical support to professional accountants, auditors, tax practitioners and related areas.
- 2.0.3 **Diploma in Information Communication Technology (DICT) Examination;** for persons who wish to qualify and work as technical support personnel in computer applications, systems development, programming, networking and other ICT related areas.
- 2.0.4 **Diploma in Credit Management (DCM) Examination;** for persons who wish to qualify and work as middle level credit managers, credit assessors and other related areas in both formal and informal sectors.
- 2.0.5 **Certified Public Accountants (CPA) Examination;** for persons who wish to qualify and work or practice as professional accountants, auditors, finance managers, tax managers and consultants in related areas in both public and private sectors.
- 2.0.6 **Certified Secretaries (CS) Examination;** for persons who wish to qualify and work or practice as corporate secretaries, policy formulators and consultants in governance, compliance, administration at county and national levels, business management and related areas in both public and private sectors.
- 2.0.7 **Certified Information Communication Technologists (CICT) Examination;** for persons who wish to qualify and work or practice as information and communication technology (ICT) professionals in various areas including systems development, programming, database management, network administration, mobile applications and software engineering.
- 2.0.8 **Certified Investment and Financial Analysts (CIFA) Examination;** for persons who wish to qualify and work or practice as investment, securities and financial analysts, portfolio managers, investment bankers, fund managers, consultants on national and global financial markets and related areas.
- 2.0.9 **Certified Credit Professionals (CCP) Examination;** for persons who wish to qualify and work or practice in various fields of credit management including credit analysis, debt management and recovery, corporate lending and related areas in both formal and informal sectors.
- 2.0.10 **Examination for holders of foreign accountancy qualifications (FAQs)**  
In consultation with the Council of ICPAK under Section 26 Sub-Sections (2) and (3) of the Accountants Act, 2008, kasneb examines holders of foreign accountancy qualifications who have applied for registration as Certified Public Accountants (CPAs) of Kenya and they are required to demonstrate their knowledge of local law and practice.
- 2.0.11 **Examination for holders of foreign secretaries qualifications (FSQs)**  
In consultation with the Council of ICS under Section 20 Sub-Sections (2) and (3) of the Certified Public Secretaries of Kenya Act, Cap 534, kasneb examines holders of foreign secretaries qualifications who have applied for registration as Certified Secretaries (CSs) of Kenya and they are required to demonstrate their knowledge of local law and practice.
- 2.0.12 **Examination for holders of foreign investment and financial analysts qualifications (FIFAQs)**  
In consultation with the Council of ICIFA under Section 16 Sub-Sections (2) and (3) of the Investment and Financial Analysts Act, No. 13 of 2015, kasneb examines holders of foreign qualifications who have applied for registration as Certified Investment and Financial Analysts (CIFA) and they are required to demonstrate their knowledge of local law and practice.

## 2.1 Aims and Objectives of the Examinations of kasneb

The aims and objectives of the examinations of kasneb are to produce:

- (a) Qualified accountants, auditors and tax practitioners with competency to present, analyse and interpret financial information for both public and private sector entities in oral and written forms.
- (b) Qualified corporate secretaries capable of advising on matters relating to corporate secretarial practice, governance, ethics, compliance and administration including at national and county levels.
- (c) Information communication technology professionals who are capable of designing, developing, implementing, maintaining and safeguarding modern information systems.
- (d) Competent professionals with the ability to analyse and advise on matters relating to investments, securities and other areas of finance.
- (e) Competent professionals who are able to make sound decisions in credit management in both formal and informal sectors.
- (f) Qualified managers with the ability to make sound managerial decisions.
- (g) Professionals who uphold high ethical standards and professional values in the discharge of their duties.
- (h) Professionals who are creative, innovative and able to communicate effectively and to adapt to the dynamic environment **both in the public and private sectors.**

## 2.2 The Certificate in Accounting and Management Skills (CAMS) Examination

The CAMS Examination is held twice yearly in May/June and November/December. The examination is divided into two levels, with Level I comprising four papers while Level II has three papers, making a total of seven (7) papers. A candidate is required to pass a lower level before progressing to the higher level. However, with effect from November 2019 sitting, a candidate with two or less referrals in Level I may combine the referral papers with papers in Level II.

The examination is rigorous and standards are high and therefore a candidate is advised to devote approximately the equivalent of six months of full time study for each level of the examination. Ideally, a student should be able to complete the CAMS examination in a period not exceeding one year.

Students taking the CAMS examination are advised to look for ways and means of acquiring practical experience so that they can match progress in examination with competence in performance of duties in the work environment.

### 2.2.1 Aim of CAMS Examination

The aim of CAMS examination is to equip the candidate with the competencies required to provide basic accounting and management services to micro, small and medium enterprises sectors, non-governmental organisations (NGOs) and public sector entities.

### 2.2.2 Aims of CAMS Level I Examination

To equip the candidate with knowledge and skills to, among other responsibilities:

- (a) Apply principles of entrepreneurship and management.
- (b) Apply basic concepts of law and ethics in practice.

- (c) Apply fundamental ICT skills.
- (d) Undertake basic mathematical analysis to assist in decision making.
- (e) Provide a basis for entry into CAMS Level II examination.

### 2.2.3 Aims of CAMS Level II Examination

To equip the candidate with knowledge and skills to, among other responsibilities:

- (a) Prepare basic financial statements.
- (b) Undertake basic audits.
- (c) Compute taxes at a basic level.
- (d) Undertake administrative duties at lower levels of management.
- (e) Apply principles of marketing and communication in practice.
- (f) Provide a basis for entry into the diploma examinations.

### 2.2.4 Tuition

Candidates pursuing the CAMS will be required to attend tuition in accredited training institutions. The tuition may be class-room based or through distance and e-learning (DEL) modes of study.

### 2.2.5 Assessment

Assessment will be based on continuous assessment tests (CATs) administered by the accredited training institutions and the examinations administered by kasneb. The CATs will account for 15% of the total score while the kasneb examination will account for 85%. A candidate must have both CAT and final examination scores in order to be assessed and awarded a result.

### 2.2.6 Other policies, rules and regulations

The other policies, rules and regulations applicable on kasneb examinations will also apply to the CAMS.

## 3.0 EXAMINATION RULES AND REGULATIONS

### 3.1 Registration Requirements

A person seeking to be registered as a student for the CAMS examination must show evidence of being a holder of one of the following qualifications:

- 3.1.1 Kenya Certificate of Secondary Education (KCSE) examination with an aggregate average of at least grade D+ (D+).
- 3.1.3 Such other certificates as may be approved by kasneb.

Persons intending to take the November/December examinations must register as students not later than 15 September while those intending to take the May/June examinations must register as students not later than 15 March.

kasneb reserves the right to refuse to register any applicant who in its opinion is not fit and proper to be registered as a student. Similarly, kasneb reserves the right to cancel the registration of any student who in its opinion is not fit and proper to be a student of kasneb.

### 3.2 Exemptions

There will be no exemptions for persons wishing to sit for the CAMS examination. However, holders of CAMS will be exempted in ATD Level I.

### 3.3 Retention of Credits

Papers taken and passed in a level shall be retained as credits for the candidate provided that the candidate fulfils the requirements set out below:

3.3.1 The candidate must enter and attempt all the papers in a level unless the candidate is exempted from some papers in the level or has earned credits in previous attempts.

3.3.2 A candidate who is awarded one or more credits in a level must enter and pass the failed paper(s) in the level within two and a half (2<sup>1</sup>/<sub>2</sub>) years or five (5) consecutive sittings failure to which the candidate will be required to resit all the papers in the level.

### 3.4 Progression Rule

A candidate must attempt and pass the CAMS Level I examination before proceeding to the CAMS Level II examination.

### 3.5 Duration of Registration as a Student of kasneb

3.5.1 A registered student of the CAMS Examination will be required to complete the examination within a maximum period of two years provided that the candidate shall complete:

3.5.1.1 The CAMS Level I examination by the end of the first year since registration.

3.5.1.2 The CAMS Level II examination by the end of the second year since registration.

3.5.2 kasneb reserves the right to cancel the registration of a student who fails to complete the CAMS Examination within the stipulated time. A student whose registration is cancelled under the rules in this paragraph may not be eligible for re-registration.

However, kasneb reserves the right to vary or amend the regulations.

### 3.6. Registration Renewal

3.6.1 A registered student must renew the studentship registration annually on the first day of July provided that newly registered students will be required to renew their registration on the first day of July following the examination sitting to which they are first eligible to enter.

3.6.2 A student who without good cause fails to renew the registration within three months of the renewal date will be deemed to have allowed the registration to lapse and may thus forfeit the right to write the examination until the renewal position is regularised. The registration number of a student who fails to renew the registration for three consecutive years will be deactivated, that is, removed from the register of students and will thus not be able to book for examinations until the registration number is reactivated.



3.6.3 A student whose registration number is deactivated for failure to renew the registration may apply for reactivation provided that if the application is accepted, the student shall:

- (a) Pay the registration reactivation fee.
- (b) Pay three years of registration renewal fees.

### 3.7. Examination Entries

Examination entries, which must be on the prescribed forms, are accepted from registered students only. The closing date for the receipt of entries for the November/December examinations is 15 September and for the May/June examinations, the 15 March.

### 3.8 Rules Governing the Conduct of Students in the Examination Room

3.8.1 Candidates should present themselves for the examination at least **30 minutes** before the scheduled time for the commencement of the examination they are taking.

3.8.2 A candidate who arrives half an hour or later after the commencement of the examination will not be allowed to take the examination nor will a candidate be permitted to leave the examination room until after the end of the first half hour since the commencement of the examination.

3.8.3 Each candidate is assigned a registration number upon registration as a student of kasneb. The candidate must sit at the place indicated by that number in the examination room. The registration number must be entered in the space provided at the top right hand corner of each answer sheet.

3.8.4 The name of the candidate **must not** appear anywhere on the answer sheet.

3.8.5 Each answer sheet has a serial number indicated on the top, left hand side of the answer sheet. Each candidate must indicate the serial number of the answer sheet(s) used for each examination paper in the signature register.

3.8.6 Examination stationery will be provided in the examination room, but candidates must bring their own blue or black ink pens, pencils, and rulers.

3.8.7 **Mobile phones are strictly not allowed in the examinations room.**

3.8.8 No stationery whatsoever may be removed from the examination room.

3.8.9 Candidates **must not** carry the examination question papers from the examination room.

3.8.10 Candidates are allowed to use calculators provided that such calculators are noiseless, cordless and non-programmable.

3.8.11 Candidates will be required to positively identify themselves to the chief invigilator by producing their student identification cards and the national identity cards. Non-Kenyan candidates will be required to produce other relevant identification documents such as passports.

3.8.12 Strict **silence** must be observed during the entire duration of the examination.

- 3.8.13 Candidates **must not** possess any notes, printed paper or books in the examination room, but must leave any such material with the chief invigilator. Candidates using clipboards must ensure that such clipboards have no writing on them whatsoever.
- 3.8.14 Smoking is **not** allowed in the examination room.
- 3.8.15 Candidates **must not** collude in the examination room by exchanging notes or keeping the answer booklet in such a way that another candidate can read or copy from the booklet.
- 3.8.16 Impersonation in the examination room is not only a serious offence but also a criminal offence.
- 3.8.17 During the course of the examination, no candidate may leave the examination room without permission from the chief invigilator. Any candidate who does so will not be allowed to return to the examination room.
- 3.8.18 Candidates who finish the paper before the chief invigilator announces the end of the examination and wish to leave the examination room while the examination is in progress must inform the invigilator and hand in their scripts to the invigilator before leaving the examination room. However, no candidate will be allowed to leave the examination room during the last fifteen (15) minutes of the examination.
- 3.8.19 Candidates **must not** leave the examination room with any answer booklet or answer sheets.
- 3.8.20 Candidates **must not** leave the examination room before their answer booklets are collected by the invigilators.
- 3.8.21 Candidates **must not** write notes on the examination timetable (Authority to sit the Examination).
- 3.8.22 Candidates with confirmed disabilities may apply to kasneb to be allowed extra time during examinations. Such application should be made at least two months prior to the examination.
- 3.8.23 Candidates must produce the timetables (Authority to sit the Examination) in order to be allowed to take the examination. Candidates may download their timetables (Authority to sit the Examination) from the kasneb website. The downloaded timetables may be used as authority to sit the examination.

### 3.9 **Action for Breach of Examination Rules and Regulations**

- 3.9.1 kasneb is mandated by the Accountants Act, No.15 of 2008 under Section 17 (1)(e) to investigate and determine cases involving indiscipline by students registered with kasneb. Section 42 of the Act further defines examination offences that are punishable under the law and the applicable penalties.
- 3.9.2 Disciplinary action will be taken against candidates who breach the examination rules and regulations of kasneb. A breach of the examination rules and regulations of kasneb shall include but is not limited to the following:
- (a) Deficiency in identification.
  - (b) Impersonation.
  - (c) Collusion.
  - (d) Possession of a mobile phone in the examinations room.
  - (e) Possession of notes in the examination room.

- (f) Taking away answer booklets.
- (g) Writing of names on the scripts.
- (h) Possession of mobile phones in the examination room.
- (i) Carrying the examination question papers from the examination room.

3.9.3 The action for breach of the examination rules and regulations of kasneb shall include but not limited to the following:

- (a) De-registration as a student of kasneb.
- (b) Cancellation of registration number.
- (c) Nullification of candidate's results.
- (d) Prohibition from taking examinations of kasneb.
- (e) Written reprimand and warning.

3.9.4 Certain breaches of the rules and regulations amount to breaches of the law. In such cases, candidates will be handed over to the police for investigations and appropriate legal action.

Section 42 of the Accountants Act, 2008 provides that a person who:

- (a) gains access to examinations materials and knowingly reveals the contents, whether orally, in writing or through any other form, to an unauthorised party, whether a candidate or not;
- (b) wilfully and maliciously damages examinations materials;
- (c) while not registered to take a particular examination, with intent to impersonate, presents or attempts to present himself to take the part of an enrolled candidate;
- (d) presents a forged certificate to a prospective employer or to an institution of learning with intent to gain employment or admission; or
- (e) introduces unauthorised materials into the examinations room, whether in writing or in any other form, whether a candidate or not, commits an offence and is liable on conviction to imprisonment for a term not exceeding three years, or to a fine not exceeding one hundred thousand shillings, or to both.

4.0 **SUMMARY OF THE CERTIFICATE IN ACCOUNTING AND MANAGEMENT SKILLS  
(CAMS) EXAMINATION SYLLABUS**

**LEVEL I**

Paper No. 1 Principles of Entrepreneurship and Management

Paper No. 2 Introduction to Law and Ethics

Paper No. 3 Fundamental ICT Skills

Paper No. 4 Fundamentals of Business Mathematics

**LEVEL II**

Paper No. 5 Foundations of Accounting and Auditing

Paper No. 6 Elements of Public Finance and Administration

Paper No. 7 Principles of Marketing and Communication

## LEVEL I

### PAPER NO.1: PRINCIPLES OF ENTREPRENEURSHIP AND MANAGEMENT

#### GENERAL OBJECTIVE

This paper is intended to equip the candidate with the requisite knowledge, skills and attitudes in entrepreneurship and management of small and medium size enterprises (SMEs) and other entities in the public and private sectors.

#### 1.0 LEARNING OUTCOMES

A candidate who passes this paper should be able to:

- Identify, select and implement new entrepreneurial opportunities
- Apply basic management and governance concepts in practice
- Identify and select the sources of finance for an entity
- Implement fundamental credit management concepts in practice
- Apply entrepreneurship and management knowledge in response to emerging trends.

#### CONTENT

##### 1.1 Introduction

- Definition of entrepreneurship
- Characteristics of entrepreneurs
- Importance of entrepreneurship
- Challenges faced by entrepreneurs
- Entrepreneur's contribution to development

##### 1.2 Role of innovation in entrepreneurship

- Methods of generating business ideas
- Role of creativity
- The creative process
- Approaches to creative problem solving
- The innovation process
- Types of innovation
- Sources of innovation
- Principles of innovation
- Protection of business innovations and ideas

##### 1.3 Assessing entrepreneurial opportunities

- Overview of the role and purpose of market research
- Problems encountered in selecting new ventures
- Factors considered in setting up a new venture
- Factors that determine success of new ventures
- Risks facing SMEs

##### 1.4 Creating a new venture

- Forms of business ownership
- Buying an existing business
- Franchising
- Sources of finance for a new venture
- Simple business plans: purpose, format

##### 1.5 Entrepreneurial growth and technology

- Importance of business incubators
- Life-cycle of an enterprise
- The success and failure factors at every stage of growth
- Use of internet, e-commerce and m-commerce

- Electronic and mobile money transfers
  - Creating a competitive advantage
  - Goodwill
  - Role of technology
- 1.6 Sources of finance for SMEs**
- Internal and external sources of finance
  - Bootstrapping
  - Advantages and disadvantages of the sources of finance
  - Factors to consider when choosing a source of finance
- 1.7 Managing credit in SMEs**
- Types and purposes of credit
  - Credit limits
  - Credit control
  - Types of discounts
  - Bad debts and their control
- 1.8 Background on management**
- Definition and importance of management
  - Principles of management
  - Levels of management
  - Management skills
  - Functions and roles of managers
  - Qualities of an affective manager
- 1.9 Managing routine office operations**
- Handling incoming and outgoing mail and calls
  - Centralisation and decentralisation of office services
  - Filing and retrieval of information
  - Essentials of a good filing system
  - Automated filing systems
- 1.10 Managing people**
- Duties and qualities of a supervisor
  - Teamwork
  - Motivation
  - Conflict management
  - Health and safety issues
- 1.11 Introduction to governance**
- Principles of good governance
  - Importance of governance
  - Best practices in good governance
- 1.12 Emerging issues and trends**

## **PAPER NO.2: INTRODUCTION TO LAW AND ETHICS**

### **GENERAL OBJECTIVE**

This paper is intended to equip the candidate with the requisite knowledge, skills and attitudes to apply general principles of law and uphold ethics in various operating environments.

### **2.0 LEARNING OUTCOMES**

A candidate who passes this paper should be able to:

- Demonstrate knowledge of essential elements of the legal system
- Demonstrate knowledge of legal personality
- Apply general principles of law in practice
- Uphold ethical and moral principles in various environments.

### **CONTENT**

#### **2.1 Nature, purpose and classification of law**

- Meaning of law
- Nature of law
- Purpose of law
- Classification of law
- Law and morality

#### **2.2 Sources of law**

- Constitution
- Legislation
- Common law and equity
- African customary law
- Islamic law
- Judicial precedent

#### **2.3 The court system**

- Establishment, structure, composition and jurisdiction of the courts
- Supreme Court
- Court of Appeal
- High Court
- Employment and Labour Relations Court
- Magistrates Court
- Court Martial
- Kadhi's Court

#### **2.4 The law of persons**

- Natural persons
- Nationality, citizenship and domicile
- Artificial persons
- Unincorporated associations
- Incorporated association

#### **2.5 The law of torts**

- Nature of tort
- General defenses in the law of tort

- Negligence
  - Defamation
  - Limitation of actions
- 2.6 The law of contract**
- Definition of contract
  - Classification of contracts
  - Formation of a contract
  - Discharge of contract
  - Remedies for breach of contract
  - Limitation of actions
- 2.7 Sale of goods**
- Nature of the contract
  - Formation of a contract
  - Terms of a contract
  - Rights and duties of the parties
- 2.8 Legal requirements for starting a business**
- Pre-registration procedures
  - Registration requirements
  - Licensing
  - Other requirements; County Government requirements
- 2.9 Foundations of Ethics**
- Ethical norms, morality, values and ethical culture
  - Code of ethics; integrity, confidentiality, independence, others
  - Standards of conduct and personal integrity
  - Conflict of Interest and Related Party Transactions
  - Whistle blowing
- 2.10 Linking ethics, laws and regulations**
- Legislative provisions on ethical conduct; The Constitution, Public Officers Ethics Act, other legislative and regulatory requirements
  - Role of kasneb, professional bodies and other regulatory bodies in enforcing ethical conduct
  - Penalties and sanctions for unethical conduct
- 2.11 Emerging issues and trends**



## **PAPER NO. 3: FUNDAMENTAL ICT SKILLS**

*(The teaching of this unit should incorporate practical exposure of students to ICT systems)*

### **GENERAL OBJECTIVE**

This paper is intended to equip the candidate with the requisite knowledge, skills and attitudes to apply basic information communication technology (ICT) skills in various operating environments.

### **3.0 LEARNING OUTCOMES**

A candidate who passes this paper should be able to:

- Demonstrate knowledge of computer systems
- Select appropriate computer hardware and software
- Use various computer application packages
- Select various types of information systems
- Use computer networks and the Internet
- Adapt to emerging ICT trends

### **CONTENT**

#### **3.1 Introduction to ICT**

- ICT overview
- Types of ICT
- Information centres
- Uses of ICT in business
- Impact of ICT in society

#### **3.2 Computer systems**

- Overview of a computer system
- Evolution of computers
- Elements of a computer system

#### **3.3 Computer hardware**

- Overview
- Input devices
- Output devices
- Processing devices
- Storage devices
- Communication devices
- Factors that determine the processing power of a computer
- Selection and acquisition of computer hardware

#### **3.4 Computer software**

- Overview of computer software
- System software
- Application software
- Other utility software
- Computer programming languages
- Selection and acquisition of computer software

#### **3.5 Introduction to operating systems**

- Overview of an operating system
- Functions of an operating system
- Types of operating systems
- Computer booting
- Selection and acquisition of operating systems

### 3.6 Computer files

- Elements of a computer file
- Types of computer files
- Basic file design and storage
- File organisation
- File access methods

### 3.7 An overview of application packages

- Word processing
  - Features of word processor
  - Formatting and editing text
  - Creating and formatting tables
- Spreadsheets
  - Features of a spreadsheet program
  - Formatting and editing spreadsheet
  - Formulas and functions
  - Charts and graphs
- Presentation software
  - Features of a presentation program
  - Typing and formatting text in slide
  - Slide show
- Computerised accounting software
  - Capturing data
  - Features of accounting software

***(the candidate is advised and encouraged to develop proficiency in at least one accounting software)***

### 3.8 Overview of information systems

- Systems overview
- Information systems
- Components of an information system
- Role of information systems in an organisation
- Classification of information systems
- Types of information systems
- Overview of information systems security and controls

### 3.9 Computer networks

- Computer networks concepts
- Computer network hardware and software
- Data transmission media
- Types of computer networks
- Advantages and limitations of networking

### 3.10 The Internet

- Applications of Internet
  - Using search engines
  - E-mails
  - Electronic communication
- Introduction to the Internet
- Internet services – e-mails, www, instant messaging

- Searching for information on the Internet
- Internet service providers (ISPs)
- Applications of internet
- Impact of internet on society

### **3.11 Data security**

- Overview of data security
- Threats and controls
- Data backup and restoration procedures

### **3.12 Mobile devices and applications**

- Types of mobile devices
- Uses of mobile devices
- Mobile browsers
- Overview of mobile applications in service delivery
- Mobile applications security

### **3.13 Emerging issues and trends**

## **PAPER NO.4: FUNDAMENTALS OF BUSINESS MATHEMATICS**

### **GENERAL OBJECTIVE**

This paper is intended to equip the candidate with the requisite knowledge, skills and attitudes to apply basic mathematical concepts to solve problems in business and other environments.

#### **4.0 LEARNING OUTCOMES**

A candidate who passes this paper should be able to:

- Apply ratios, rates and proportions to interpret various scenarios
- Apply indices and logarithms in computations
- Use linear and matrix algebra to solve problems
- Apply basic calculus to solve problems
- Calculate measures of central tendency in statistics
- Construct and interpret basic graphs

### **CONTENT**

#### **4.1 Ratios, Rates and Proportions**

- Ratios
- Rates
- Proportions
- Fractions
- Decimals
- Percentages

#### **4.2 Indices and Logarithms**

- Notations
- Laws of indices
- Simplifying and solving indices
- Logarithms
- Change of base

#### **4.3 Linear Equations**

- Linear equations in one unknown
- Linear equations in two unknowns
- Graphical solutions in two unknowns

#### **4.4 Matrix Algebra**

- Notations
- Operations
- Solving a 2\*2 matrix

#### **4.5 Sequences and Series**

- Arithmetic progression(A.P): $n^{\text{th}}$  term, sum of first  $n$  terms
- Geometric progression (G.P):  $n^{\text{th}}$  term, sum of first  $n$  terms

#### **4.6 Commercial Mathematics**

- Percentage profit and loss
- Simple interest and compound interest
- Appreciation and depreciation
- Basic income tax calculations
- Foreign exchange rates

#### 4.7 **Calculus**

- Basic differentiation
- Stationary points/turning points
- Basic integration

#### 4.8 **Probability**

- Definitions: event, experiment and outcome
- Types of events
- Rules/laws of probability
- Conditional probability

#### 4.9 **Descriptive Statistics**

- Data collection
- Data presentation; Frequency distribution table
- Mean, mode and median
- Variance and standard deviation

#### 4.10 **Graphs**

- Cartesian plane
- Linear graphs
- Graphs of simultaneous equations
- Graphs of quadratic equations
- Bar charts
- Time series graphs
- Pie charts
- Graphs of frequency distribution; histogram, polygon, frequency curve, ogive

#### 4.11 **Emerging issues and trends**

## LEVEL II

### PAPER NO.5: FOUNDATIONS OF ACCOUNTING AND AUDITING

#### GENERAL OBJECTIVE

This paper is intended to equip the candidate with the requisite knowledge, skills and attitudes to prepare simple financial statements and apply basic auditing principles for entities in various sectors.

#### 5.0 LEARNING OUTCOMES

A candidate who passes this paper should be able to:

- Identify various types of assets and liabilities, income and expenditure
- Apply the double entry aspects of accounting
- Prepare basic financial statements for sole proprietorships, small and medium size enterprises (SMEs), non-governmental organisations (NGOs) and other entities.
- Prepare simple tax computations for SMEs
- Apply basic auditing principles

#### CONTENT

##### 5.1 Introduction to accounting

- Definition of terms used in accounting
- Users of accounting information and their needs
- Qualities of good accounting information
- The accounting equation
- Accounting concepts, principles, standards and their importance
- Regulatory framework of accounting; the Institute of Certified Public Accountants of Kenya (ICPAK), regional accountancy bodies, professional ethics

##### 5.2 Source documents

- Meaning of source documents
- Types of source documents
- Uses of source documents
- Relationship between source documents and books of account

##### 5.3 Books of original entry

- Definition of books of original entry
- Classification of books of original entry
- Preparation of books of original entry

##### 5.4 The ledger and the trial balance

- Definition of a ledger and an account
- Importance of ledgers
- Relationship between ledgers and accounts
- Classification of ledgers
- Nature of double entry
- Definition of a trial balance
- Importance of a trial balance
- Balancing of ledgers and transferring balances to trial balance

##### 5.5 The cash book

- Definition of a cash book

- Types of cash books
  - Types of discount
  - Recording transactions in a cash book
- 5.6 Petty cash book**
- Definition of petty cash book
  - Imprest system
  - Purpose of petty cash book
  - Preparation of petty cash book
- 5.7 Accounting for ordinary revenue and expenses, assets and liabilities**
- Accounting for revenue, including accruals and prepayments
  - Accounting for expenses, including accruals and prepayments
  - Accounting for account receivables, bad debts and allowances for doubtful debts
  - Accounting for property, plant and equipment including depreciation, acquisition and disposal
  - Simple bank reconciliation
  - Accounting for accounts payable (excluding control account)
- 5.8 Correction of simple accounting errors, the suspense account**
- 5.9 Preparation of basic final accounts**
- Definition of final accounts
  - Types of final accounts
  - Preparation of final accounts from a list of balances (excluding adjustments); sole proprietorships, two-partner firms, corporate entities, NGOs
- 5.10 Computerised accounting systems**
- Role of computers
  - Application and accounting software
  - Benefits of computerised accounting system
  - Challenges of operating computerised accounting systems
- (the candidate is advised and encouraged to develop proficiency in at least one commonly used accounting package)***
- 5.11 Nature, purpose and objectives of an audit**
- Definition of auditing
  - Relationship between auditing and accounting
  - Types of audits; internal versus external audits
  - Objectives of audits
- 5.12 Internal controls**
- Definition of internal control system
  - Role of internal control systems
  - General controls on sales, purchases, cash and bank, inventory, income and expenditure
- 5.13 Conducting basic audits**
- Key stages of an audit
  - Preparing simple audit plans
  - Audit evidence; types, approaches to gathering evidence
  - Basic audits on sales, purchases, cash and bank, inventory, income and expenditure
  - Difference between errors and fraud

- Basic applications of computer assisted audit techniques (CAATs)
- Elements of an audit report

**5.14 General overview of public sector accounting and auditing**

- The financial reporting chain in the public sector
- Role of the Director General - Accounting Services and Quality Assurance
- Role of Kenya National Audit Office (KENAO) and other supreme audit institutions in audit of National and County Governments
- Parliamentary oversight of accounting and auditing processes

**5.16 Emerging issues and trends**



## **PAPER NO. 6: ELEMENTS OF PUBLIC FINANCE AND ADMINISTRATION**

### **GENERAL OBJECTIVE**

This paper is intended to equip the candidate with the requisite knowledge, skills and attitudes to apply the principles of public finance and administration and perform basic tax computations.

### **6.0 LEARNING OUTCOMES**

A candidate who passes this paper should be able to:

- Explain the nature and operations of public financial management (PFM)
- Apply basic principles of public finance and administration
- Comply with basic legislative provisions in procurement of supplies and services
- Compute simple taxes and prepare basic tax returns for individuals and small entities

### **CONTENT**

#### **6.1 Role of various arms of Government**

- The Executive: The President, Deputy President, Cabinet, Director of Public Prosecutions, Principal Secretaries, Chief Administrative Secretaries
- The Judiciary
- The Legislature (including oversight committees on public finance)
- National and County Governments and their relationship
- Constitutional Commissions and Independent Offices
- Public Service Commission (PSC) and County public service boards.

#### **6.2 Legal framework on public financial management**

- General overview of public financial management as envisaged by the Constitution
- Overview of the Public Financial Management Act (elementary knowledge only):
  - The National Treasury: Responsibilities, powers, relationship with County Treasuries, management of the Consolidated Fund, Contingencies Fund, Equalisation Fund, other funds
  - County governments: County treasuries, Revenue funds, the County Executive Committee members for Finance
  - Budget preparation process at national and county levels
  - Role of other officers at national and county levels; accounting officers, receivers and collectors of revenue
  - Annual financial reports at national and county levels (nature and content only, excluding preparation)
  - Public Sector Accounting Standards Board (PSASB) (establishment and functions only)

#### **6.3 Role of other institutions in PFM**

- The Auditor General
- Controller of Budget
- Council of Governors
- Kenya Revenue Authority (KRA) - structure, mandate and functions
- Other State Corporations
- Commission on Revenue Allocation (CRA)
- Public Debt Management office

#### 6.4 **Supply chain management in public entities (elementary knowledge)**

- Definitions and terminologies
- General overview of Public Procurement and Disposal (PPD) Act:
  - Bodies involved in the regulation of public procurement and asset disposal
  - Responsibilities of County governments in public procurement and asset disposal
  - Compliance by procuring entities; Role of accounting officers, procurement committees
  - General procurement principles
  - Methods of procurement
  - Offences and penalties
- The concept of e-procurement

#### 6.5 **Introduction to taxation**

- Purposes of taxation
- Principles of an optimal tax system
- Single versus multiple tax systems
- Classification of taxes and tax rates
- Types of taxes

#### 6.6 **Tax computations (basic level)**

- Taxable and non taxable persons
- Sources of taxable income
- Tax on employment income, PAYE, personal reliefs, other reliefs
- Business income:
  - Sole proprietorships
  - Partnerships (excluding realignments and conversions)
  - Incorporated entities
  - NGOs
- Farming income
- Types of capital deductions (without computations)

#### 6.7 **Administration of income tax**

- Types of assessments and returns
- Notices, objections, appeals and relief of mistake
- Appellant bodies
- Collection, recovery and refund of taxes
- Offences, fines, penalties and interest
- Application of ICT in taxation: iTax, other tax management systems

#### 6.8 **Administration of value added tax (basic level)**

- Registration and deregistration of businesses for VAT
- Taxable and non taxable supplies
- Privileged persons and institutions
- VAT rates and computations
- VAT records
- VAT returns
- Remission, rebate and refund of VAT
- Rights and obligations of VAT registered person
- Offences, fines, penalties and interest
- Enforcement
- Objection and appeals: Requirements and procedure

#### 6.9 **Emerging issues and trends**

## **PAPER NO. 7 PRINCIPLES OF MARKETING AND COMMUNICATION**

### **GENERAL OBJECTIVE**

This paper is intended to equip the candidate with the requisite knowledge, skills and attitudes to apply the principles of marketing, communication and public relations in practice.

### **7.0 LEARNING OUTCOMES**

A candidate who passes this paper should be able to:

- Develop and implement simple marketing plans
- Communicate effectively in verbal and written forms
- Attract and retain customers in business
- Handle customer complaints
- Manage simple public relations issues

### **CONTENT**

#### **7.1 Introduction to marketing**

- Marketing process
- Importance of marketing
- Roles of marketing

#### **7.2 Marketing plan**

- Importance of a marketing plan
- Uses of a marketing plan
- Marketing plan process

#### **7.3 Market segmentation**

- Meaning of market segmentation
- Importance of market segmentation
- Market segmentation process
- Target marketing
- Market positioning

#### **7.4 Marketing mix**

- Product
- Price
- Place
- Promotion decisions
- People
- Process
- Emerging marketing mix

#### **7.5 Sales plan function**

- Formulation of a sales plan
- Recruitment and selection of sales team
- Management of sales team
- Importance of an effective sales team
- Selling process

#### **7.6 Contemporary Marketing**

- Meaning of marketing information
- Internal records
- Marketing intelligence
- Analysing the macro environment
- Marketing information system
- Source of market information

## 7.7 **Digital marketing overview**

- Introduction to digital marketing
- Digital marketing concepts
- Digital marketing channels:
  - Social media marketing (SMM)
  - E-mail marketing and internet marketing
  - Search engine optimisation (SEO)
  - Display advertising
  - Affiliate marketing
  - Mobile marketing
  - Multi-channel advertising

## 7.8 **Introduction to communication**

- Foundations of business communication
- Importance of communication
- The communication process
- Methods of communication
- Objectives of business communication
- Internal and external communication
- Communication systems and networks
- Principles of effective communication
- Channels of communication
- Barriers to business communication

## 7.9 **Written communication**

- Essentials of effective written communication
- Business correspondence
- Reports
- Memorandums
- Forms and questionnaire design
- Circulars and newsletters
- Notices and advertisements
- Publicity materials
- Press releases
- Graphic communication

## 7.10 **Oral and non-verbal communication**

- Oral communication in business
- Types of oral communication
- Effective listening
- Interview techniques
- Oral presentation skills
- Committees and conferences
- Preparing speeches
- Non-verbal communication
- Recognising and responding to non-verbal messages
- Interpersonal relationships

## 7.11 **Contemporary communication techniques**

- Teleconferencing

- Videoconferencing
- Mobile phone communication
- Electronic postal services
- Online business communication
  - E-Mails
  - VOIP
  - Social media
  - VPNs

#### 7.12 **Meetings**

- Meaning of a meeting
- Types of meetings
- Role of Chairman and Secretary
- Maintaining order at meetings
- Recording of proceedings at meetings
- Use of information communication technology in meetings

#### 7.13 **Introduction to customer relations management**

- Meaning of customer relations
- Types of customer relations
- Importance of customer relations
- Managing customer perception
- Customer survey
- Do's and don'ts in customer relations
- Effective listening
- Effective use of telephone
- Customer care training
- Handling complaints
- Self-image as a dimension of relationship strategy
- Verbal and non-verbal strategies that add value to relationships
- Effect of appearance, voice, manners on relationships

#### 7.14 **Introduction to public relations**

- Definition of public relations
- Distinction of public relations from marketing
- Roles and importance of public relations
- Steps to successful public relations
- Public relations skills and techniques; surveys, sponsorships, press, print media
- Role of Service Charters
- Role of corporate social investment in public relations
- Role of ICT in public relations
- Ethics in public relations
- Crisis management

#### 7.15 **Emerging issues and trends**