

PAPER 4 – ACCOUNTING AND LAW FOR TAX TECHNICIANS

ACCOUNTING FOR TAX TECHNICIANS

Learning outcomes

Having passed this examination, students will be able to:

- » Describe accounting terminology
- » Demonstrate an understanding of the make-up of the profit and loss account and balance sheet
- » Describe significant accounting items for tax purposes
- » Prepare a profit and loss account and balance sheet (final accounts)

Examination

- » 50% of Paper 4 (Accounting and Law for Tax Technicians)
- » Three questions, answer two (one compulsory)

The following matters will be examinable:

- 1 **Introduction to accountancy**
 - » Scope and purpose of accounting and accounting systems
 - » Accounting terminology
 - » The accounting entity and the accounting period

- 2 **Book-keeping and Suspense Accounts**
 - » Double-entry book-keeping
 - » Trial balance
 - » Books of prime entry
 - » Suspense accounts
 - » Journals

- 3 **Financial reporting**
 - » Profit and loss accounts
 - » Balance sheets

- 4 **Profit and Loss Accounts and Balance Sheets**
 - » Accruals and prepayments
 - » Provision for depreciation
 - » Provisions for bad debts
 - » Preparation of final accounts
 - » Account reconciliations
 - VAT reconciliations
 - PAYE reconciliations
 - CT reconciliations

5 **Income and Expenditure Accounts and incomplete records**

6 **Control Accounts**

7 **Accounting for PAYE and VAT**

8 **Accounting for partnerships**

9 **Accounting for limited companies**

- » Share capital
- » Dividends
- » Debentures
- » Taxation
- » Directors' current account
- » Reserves and pensions

10 **Accounting standards and principles**

- » Accounting concepts and policies
- » Accounting for stocks, fixed assets, current assets and liabilities
- » Accounting for leases and hire-purchase contracts

LAW FOR TAX TECHNICIANS

Learning outcomes

Having passed this examination, students will be able to:

- » Describe the Irish legislative cycle
- » Describe basic contract law and types of property ownership
- » Describe basic partnership law
- » Describe what a company is and how it is formed
- » Demonstrate an awareness of the legal obligations of a company and its directors

Examination

- » 50% of Paper 4 (Accounting and Law for Tax Technicians)
- » Three questions, answer two (one compulsory)

The following matters will be examinable:

1 **Introduction to the Irish legal system**

- » The role of the Constitution, legislature and judiciary
- » The court system
- » The legislative cycle, including the procedure for enacting the Finance Act
- » Case law and judicial precedence

2 **Land law**

- » Leasehold and freehold interests
- » Leases of land

- 3 **Company Law**
- 3.1 **Incorporating a company**
- » Company law compliance procedures
 - » Public and private companies
- 3.2 **Directors**
- » Types of directors
 - » Retirement/dismissal
 - » Powers of directors
 - » Duties of directors
 - » Company Secretary
- 3.3 **Shares and share capital, reserves and distributions**
- » Issue and alteration of share capital
 - » Different classes of shares
 - » Repurchase by a company of its own shares
 - » Redemption of ordinary share capital by companies
 - » Financial assistance towards purchase by a company of its own shares
- 3.4 **Memorandum and Articles of Association**
- 3.5 **Maintenance of books of account**
- » Requirement to prepare annual accounts
 - » Content of annual accounts
 - » Penalties for failure to keep proper books of account
 - » Content of directors' reports, auditors' reports and the annual return
- 4 **Partnership law**
- » Definition and formation
 - » Relationships of partners to outsiders
 - » Relationship between partners
 - » Dissolution
 - » Limited liability partnerships
- 5 **Contract law**
- » Nature and formation of a contract
 - » Vitiating factors
 - » Invalid contracts
 - » Remedies for breach of contract
 - » Completion of contract
 - » Assignment and variation
 - » Performance and termination