

The Institute of Taxation
Certified Tax Adviser (CTA)
(Skills Level)

Paper 1 – Tax Accounting and Financial Reporting

This paper covers preparation of financial statements in compliance with IFRS and applicable reporting framework in Pakistan and analysis of the information contained in the financial reports (such as the Directors' report and the notes to the financial statements). It also includes preparing the direct and indirect tax account and tax related policies and disclosure notes to the financial statements.

In this paper the students will be able to:

1. Explain accounting terminologies, conventions and standard accounting practices.
2. Describe different types of entities and prepare financial statements for each.
3. Understand tax accounting entries and prepare tax account and disclosure notes for inclusion in financial statements.
4. Perform an expert interpretation and analysis of information from the financial reports.

S. #.	Syllabus Areas & Grid	Weightage
A	IASB Conceptual Framework and Accounting Framework in Pakistan IAS-1 Preparation of Financial Statements IAS-7 Statement of Cash Flows	25-35
B	International Financial Reporting Standards	40-50
C	Financial Statement Analysis (Ratios and Interpretation Sales Tax Accounting	20-30

Course Outline and Competencies

	Areas	Proficiency Level	Testing Level
A1	IASB Conceptual Framework and Accounting Framework in Pakistan Third, Fourth and Fifth schedule of Companies Act, 2017	P2	T2
A2	IAS – 1 Preparation of Financial Statements, Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows	P2	T2

A3	Different Forms of entities and preparation of their financial statements	P2	T2
A4	IAS – 7 Statement of Cash Flows	P2	T2
B1	IAS – 2 Inventories	P2	T2
B2	IAS – 16 Property Plant and Equipment	P2	T2
B3	IAS-38 Intangible Assets	P2	T2
B4	IAS-10 Events after Reporting Period	P2	T1
B5	IAS-37 Provisions, Contingent Liabilities and Contingent Assets	P2	T1
B6	IAS – 12 Income Taxes	P2	T2
B7	IFRS-15 (Five Step Model)	P1	T1
B8	IFRS-16 (Lessee only)	P1	T1
C1	Financial Statement Analysis (Ratios and Interpretations)	P2	T1
C2	Sales Tax Accounting (Preparation of Tax Invoice and Accounting Entries)	P2	T1