

**Lao Chamber  
of Professional  
Accountants and Auditors  
(LCPAA)**

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**Lao Certified Public  
Accountants (Lao CPA)  
Qualification**

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# The Lao CPA Qualification

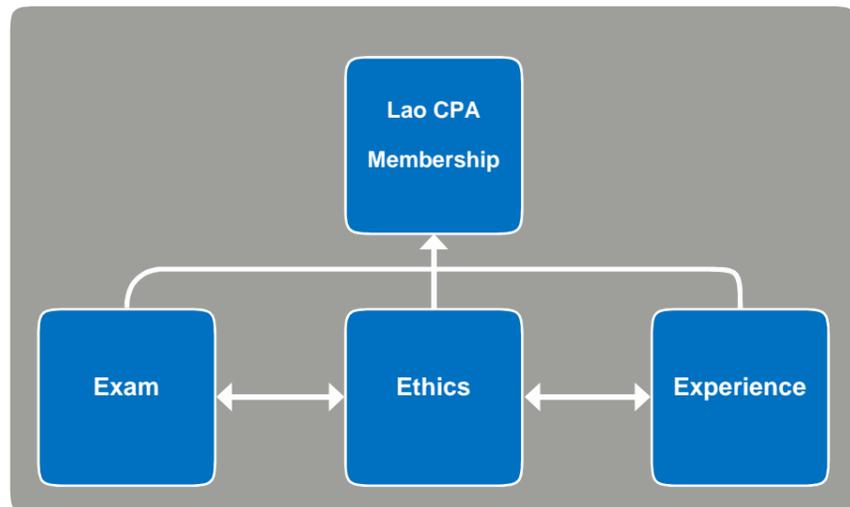
The Lao CPA Qualification is designed to provide the accounting knowledge, skills and professional values which will deliver finance professionals who are capable of building successful careers across all sectors and making a valuable contribution to your organisation, whether you are in the public or private sectors or in practice.

Accountancy is a dynamic profession. Both the needs of employers and the regulatory landscape are constantly evolving. Through regular reviews of its qualification, LCPAA develops its position as international provider of qualifications for the development of accountants and finance professionals.

## The LCPAA qualification explained

In order to qualify as an Lao CPA any individual registering on the Lao CPA Qualification is required to complete:

- 14 exams (nine of which are eligible for exemption)
- relevant practical experience, with a minimum of three years
- complete Professional Ethics module.

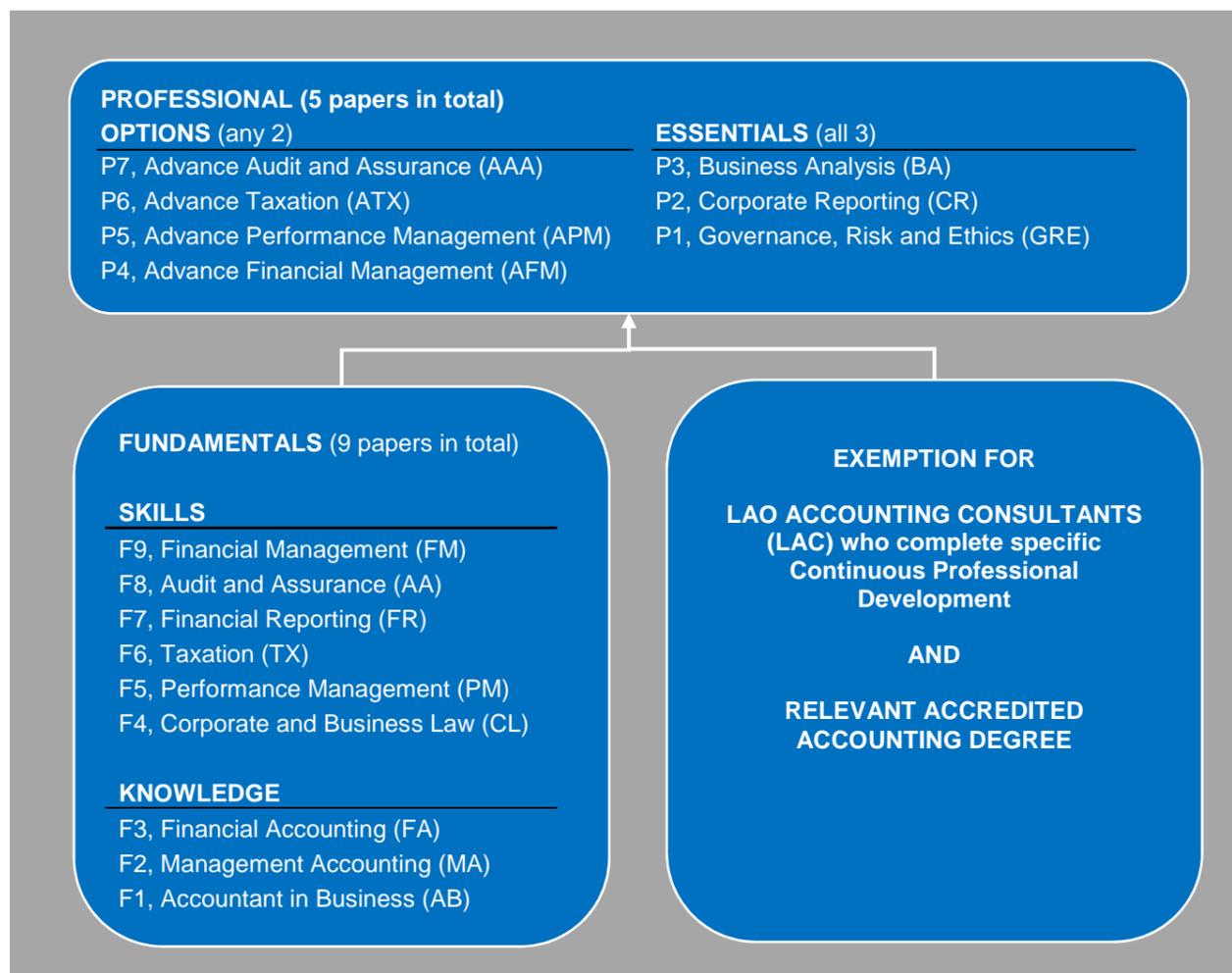


# Exams

## The exam syllabus

The Lao CPA Qualification is divided into two levels – **Fundamentals** and **Professional**. The **Fundamentals level is sub-divided into two modules – Knowledge and Skills**. The Knowledge module introduces students to the core areas of financial and management accounting. This provides the platform from which the other technical accountancy areas will be studied in greater detail in the Skills module. The Skills module contains six subjects which comprehensively cover the main technical areas that any accountant, regardless of their future career aspirations, are expected to have mastered. These comprise law, performance management, taxation, financial reporting, auditing and financial management

The **Professional level is sub-divided into two modules – Essentials and Options**. Both these modules have been set at an intellectual level equivalent to that expected of a student taking a Master's degree. The focus of the syllabus at this level is to build upon the technical skills already acquired and explore more advanced professional skills, techniques and values that are required and used by the expert accountant acting in a demanding professional role including advisory or consultancy responsibilities at a senior level. All students have to complete the three papers in the Essentials module.



The Options module contains four papers. These are directly underpinned and supported by their equivalent within the Skills module in the Fundamentals level. These exams assess the more advanced and sophisticated techniques that a professional needs in order to specialize in these areas at work or to follow as a career pathway in an advisory or consultancy role. Students select two out of four Options papers and are advised to choose the Options that relate to their chosen or anticipated field of work.

The table below summarizes the aims of each paper within the

syllabus and the corresponding capabilities trainees will develop as they progress through the exams.

### Study Options

On average, an individual registering with the minimum entry requirements, working full-time and studying on a part-time basis would take approximately two to three years to gain their Lao CPA Qualification.

Although we would always recommend that practical experience is gained along with passing the exams,

it's up to the individual, and their employer, to decide how to study, how often to sit exams and where and how to gain relevant practical experience.

There is a variety of different study options. These include full-time courses, part-time day or evening courses, weekend courses and revision courses.

Details of the syllabus, aim of the study and study outcome are as follows:

F1, ACCOUNTANT IN BUSINESS		
<p><b>AIM</b></p> <p>To introduce knowledge and understanding of the business and its environment and the influence this has on how organisations are structured and on the role of the accounting and other key business functions in contributing to the efficient, effective and ethical management and development of an organisation and its people and systems.</p>	<p><b>MAIN CAPABILITIES</b></p> <p>On successful completion of this paper, candidates should be able to:</p> <ul style="list-style-type: none"> <li>• explain how the organisation is structured, governed and managed by – and on behalf of – its external, connected and internal stakeholders</li> <li>• identify and describe the key environmental influences and constraints on how the business operates in general and how these affect the accounting function in particular</li> <li>• describe the history, purpose, and position of accounting in the organisation and the roles of other functional areas</li> <li>• identify and explain the functions of accounting systems and internal controls in planning, monitoring and reviewing performance and in preventing fraud and business failure</li> <li>• recognise the principles of authority and leadership and how teams and individuals behave and are managed, disciplined and motivated in pursuit of wider departmental and organisational aims and objectives</li> <li>• recruit and develop effective employees, using appropriate methods and procedures, while developing constructive relationships through effective communication and interpersonal</li> </ul>	<p>LCPAA</p>

<b>F2, MANAGEMENT ACCOUNTING</b>		
<p><b>AIM</b></p> <p>To develop knowledge and understanding of how to prepare and process basic cost and quantitative information to support management in planning and decision-making in a variety of business contexts.</p>	<p><b>MAIN CAPABILITIES</b></p> <p>On successful completion of this paper, candidates should be able to:</p> <ul style="list-style-type: none"> <li>• explain the nature and purpose of cost and management accounting</li> <li>• describe costs by classification, behavior and purpose</li> <li>• Apply essential business mathematics and use computer spreadsheets</li> <li>• explain and apply cost accounting techniques</li> <li>• prepare and coordinate budgets and standard costing for planning, feedback and control</li> <li>• use management accounting techniques to make and support decision-making.</li> </ul>	<p>LCPAA</p>
<b>F3, FINANCIAL ACCOUNTING (INT)</b>		
<p><b>AIM</b></p> <p>To develop knowledge and understanding of the underlying principles and concepts relating to financial accounting and technical proficiency in the use of double-entry accounting techniques including the preparation of basic financial statements.</p>	<p><b>MAIN CAPABILITIES</b></p> <p>On successful completion of this paper, candidates should be able to:</p> <ul style="list-style-type: none"> <li>• explain the context and purpose of financial reporting</li> <li>• define the qualitative characteristics of financial information and the fundamental bases of accounting</li> <li>• demonstrate the use of double-entry and accounting systems</li> <li>• record transactions and events</li> <li>• prepare a trial balance (including identifying and correcting errors)</li> <li>• prepare basic financial statements for incorporated and unincorporated entities.</li> </ul>	<p>LCPAA</p>

<b>F4, CORPORATE AND BUSINESS LAW (LAO)</b>		
<p><b>AIM</b></p> <p>To develop knowledge and skills in the understanding of the general legal framework, and of specific legal areas relating to business, recognising the need to seek further specialist legal advice where necessary.</p>	<p><b>MAIN CAPABILITIES</b></p> <p>On successful completion of this paper candidates should be able to:</p> <ul style="list-style-type: none"> <li>• identify the essential elements of the legal system, including the main sources of law</li> <li>• recognise and apply the appropriate legal rules relating to the law of obligations</li> <li>• explain and apply the law relating to employment relationships</li> <li>• distinguish between alternative forms and constitutions of business organisations</li> <li>• recognise and compare types of capital and the financing of companies</li> <li>• describe and explain how companies are managed, administered and regulated</li> <li>• recognise the legal implications relating to companies in difficulty or in crisis</li> <li>• demonstrate an understanding of governance and ethical issues relating to business.</li> </ul>	<p>MOIC</p>
<b>F5, PERFORMANCE MANAGEMENT</b>		
<p><b>AIM</b></p> <p>To develop knowledge and skills in the application of management accounting techniques to quantitative and qualitative information for planning, decision-making, performance evaluation, and control.</p>	<p><b>MAIN CAPABILITIES</b></p> <p>On successful completion of this paper candidates should be able to:</p> <ul style="list-style-type: none"> <li>• explain, apply, and evaluate cost accounting techniques</li> <li>• select and appropriately apply decision-making techniques to evaluate business choices and promote efficient and effective use of scarce business resources, appreciating the risks and uncertainty inherent in business and controlling those risks</li> <li>• apply budgeting techniques and evaluate alternative methods of budgeting, planning and control</li> <li>• use standard costing systems to measure and control business performance and to identify remedial action</li> <li>• assess the performance of a business from both a financial and non-financial viewpoint, appreciating the problems of controlling divisionalised businesses and the importance of allowing</li> </ul>	<p>LC PAA</p>

<b>F6, TAXATION (LAO)</b>		
<p><b>AIM</b></p> <p>To develop knowledge and skills relating to the tax system as applicable to individuals, single companies, and groups of companies.</p>	<p><b>MAIN CAPABILITIES</b></p> <p>On successful completion of this paper candidates should be able to:</p> <ul style="list-style-type: none"> <li>• explain the operation and scope of the tax system</li> <li>• explain and compute the income tax liabilities of individuals</li> <li>• explain and compute the corporation tax liabilities of individual companies and groups of companies</li> <li>• explain and compute the chargeable gains arising on companies and individuals</li> <li>• explain and compute the effect of national insurance contributions on employees, employers and the self employed</li> <li>• explain and compute the effects of value added tax on incorporated and unincorporated businesses</li> <li>• identify and explain the obligations of tax payers and/or their agents and the implications of non-compliance.</li> </ul>	<p>MOF</p>
<b>F7, FINANCIAL REPORTING (INT)</b>		
<p><b>AIM</b></p> <p>To develop knowledge and skills in understanding and applying accounting standards and the theoretical framework in the preparation of financial statements of entities, including groups and how to analyse and interpret those financial statements.</p>	<p><b>MAIN CAPABILITIES</b></p> <p>On successful completion of this paper, candidates should be able to:</p> <ul style="list-style-type: none"> <li>• discuss and apply a conceptual framework for financial reporting</li> <li>• discuss a regulatory framework for financial reporting</li> <li>• prepare and present financial statements which conform with International accounting standards</li> <li>• account for business combinations in accordance with International accounting standards</li> <li>• analyse and interpret financial statements.</li> </ul>	<p>LCPAA</p>

<b>F8, AUDIT AND ASSURANCE (INT)</b>		
<p><b>AIM</b></p> <p>To develop knowledge and understanding of the process of carrying out the assurance engagement and its application in the context of the professional regulatory framework.</p>	<p><b>MAIN CAPABILITIES</b></p> <p>On successful completion of this paper, candidates should be able to:</p> <ul style="list-style-type: none"> <li>• explain the nature, purpose and scope of assurance engagements including the role of the external audit and its regulatory and ethical framework</li> <li>• explain the nature of internal audit and describe its role as part of overall performance management and its relationship with the external audit</li> <li>• demonstrate how the auditor obtains an understanding of the entity and its environment, assesses the risk of material misstatement (whether arising from fraud or other irregularities) and plans an audit of financial statements</li> <li>• describe and evaluate information systems and internal controls to identify and communicate control risks and their potential consequences, making appropriate recommendations</li> <li>• identify and describe the work and evidence required to meet the objectives of audit engagements and the application of the International Standards on Auditing</li> <li>• evaluate findings and modify the audit plan as necessary</li> <li>• explain how the conclusions from audit work are reflected in different types of audit report, explain the elements of each type of report.</li> </ul>	<p>LCPAA</p>

<b>F9, FINANCIAL MANAGEMENT</b>		
<p><b>AIM</b></p> <p>To develop the knowledge and skills expected of a finance manager, in relation to investment, financing, and dividend policy decisions.</p>	<p><b>MAIN CAPABILITIES</b></p> <p>On successful completion of this paper, candidates should be able to:</p> <ul style="list-style-type: none"> <li>• discuss the role and purpose of the financial management function</li> <li>• assess and discuss the impact of the economic environment on financial management</li> <li>• discuss and apply working capital management techniques</li> <li>• carry out effective investment appraisal</li> <li>• identify and evaluate alternative sources of business finance</li> <li>• explain and calculate the cost of capital and the factors which affect it</li> <li>• discuss and apply principles of business and asset valuations</li> <li>• explain and apply risk management techniques in business.</li> </ul>	<p>LCPAA</p>
<b>P1, GOVERNANCE, RISK AND ETHICS*</b>		
<p><b>AIM</b></p> <p>To apply relevant knowledge, skills and exercise professional judgment in carrying out the role of the accountant relating to governance, internal control, compliance and the management of risk within an organisation, in the context of an overall ethical framework.</p>	<p><b>MAIN CAPABILITIES</b></p> <p>On successful completion of this paper, candidates should be able to:</p> <ul style="list-style-type: none"> <li>• define governance and explain its function in the effective management and control of organisations and of the resources for which they are accountable</li> <li>• evaluate the professional accountant's role in internal control, review and compliance</li> <li>• explain the role of the accountant in identifying and assessing risk</li> <li>• explain and evaluate the role of the accountant in controlling and mitigating risk</li> <li>• demonstrate the application of professional values and judgement through an ethical framework that is in the best interests of society and the profession, in compliance with relevant professional codes, laws and regulations.</li> </ul>	<p>LCPAA</p>

<b>P2, CORPORATE REPORTING (INT)</b>		
<p><b>AIM</b></p> <p>To apply knowledge, skills and exercise professional judgment in the application and evaluation of financial reporting principles and practices in a range of business contexts and situations.</p>	<p><b>MAIN CAPABILITIES</b></p> <p>On successful completion of this paper, candidates should be able to:</p> <ul style="list-style-type: none"> <li>• discuss the professional and ethical duties of the accountant</li> <li>• evaluate the financial reporting framework</li> <li>• advise on and report the financial performance of entities</li> <li>• prepare the financial statements of groups of entities in accordance with relevant accounting standards</li> <li>• explain reporting issues relating to specialised entities</li> <li>• discuss the implications of changes in accounting regulation on financial reporting</li> <li>• appraise the financial performance and position of entities</li> <li>• evaluate current developments.</li> </ul>	<p>LCPAA</p>
<b>P3, BUSINESS ANALYSIS*</b>		
<p><b>AIM</b></p> <p>To apply relevant knowledge, skills, and exercise professional judgment in assessing strategic position, determining strategic choice, and implementing strategic action through beneficial business process and structural change; coordinating knowledge systems and information technology and by effectively managing quality processes, projects, and people within financial and other resource constraints.</p>	<p><b>MAIN CAPABILITIES</b></p> <p>On successful completion of this paper, candidates should be able to:</p> <ul style="list-style-type: none"> <li>• assess the strategic position of an organization</li> <li>• evaluate the strategic choices available to an organization</li> <li>• discuss how an organisation might go about its strategic implementation</li> <li>• evaluate and redesign business processes and structures to implement and support the organisation's strategy taking account of customer and other major stakeholder requirements</li> <li>• integrate appropriate information technology solutions to support the organisation's strategy</li> <li>• apply appropriate quality initiatives to implement and support the organisation's strategy</li> <li>• advise on the principles of project management to enable the implementation of aspects of the organisation's strategy with the twin objectives of managing risk and ensuring benefits realization</li> <li>• analyse and evaluate the effectiveness of a company's strategy and the financial consequences of implementing strategic decisions</li> <li>• assess the role of leadership and people management in formulating and implementing business strategy.</li> </ul>	<p>LCPAA</p>

<b>P4, ADVANCE FINANCIAL MANAGEMENT</b>		
<p><b>AIM</b></p> <p>To apply relevant knowledge, skills and exercise professional judgment as expected of a senior financial executive or advisor, in taking or recommending decisions relating to the financial management of an organisation.</p>	<p><b>MAIN CAPABILITIES</b></p> <p>On successful completion of this paper, candidates should be able to:</p> <ul style="list-style-type: none"> <li>• explain the role and responsibility of the senior financial executive or advisor in meeting conflicting needs of stakeholders</li> <li>• evaluate potential investment decisions and assessing their financial and strategic consequences, both domestically and internationally</li> <li>• assess and plan acquisitions and mergers as an alternative growth strategy</li> <li>• evaluate and advise on alternative corporate re-organisation strategies</li> <li>• apply and evaluate alternative advanced treasury and risk management techniques</li> <li>• evaluate the impact of macroeconomics and recognise the role of international financial institutions in the financial management of multinationals</li> <li>• Identify and assess the potential impact of emerging issues in finance and financial management.</li> </ul>	<p>LCPAA</p>
<b>P5, ADVANCE PERFORMANCE MANAGEMENT</b>		
<p><b>AIM</b></p> <p>To apply relevant knowledge, skills and exercise professional judgment in selecting and applying strategic management accounting techniques in different business contexts and to contribute to the evaluation of the performance of an organisation and its strategic development.</p>	<p><b>MAIN CAPABILITIES</b></p> <p>On successful completion of this paper, candidates should be able to:</p> <ul style="list-style-type: none"> <li>• use strategic planning and control models to plan and monitor organisational performance</li> <li>• assess and identify relevant macroeconomic, fiscal and market factors and key external influences on organisational performance</li> <li>• identify and evaluate the design features of effective performance management information and monitoring systems</li> <li>• apply appropriate strategic performance measurement techniques in evaluating and improving organisational performance</li> <li>• advise clients and senior management on strategic business performance evaluation and on recognising vulnerability to corporate failure</li> <li>• identify and assess the impact of current developments in management accounting and performance management on measuring, evaluating and improving organisational performance.</li> </ul>	<p>LCPAA</p>

<b>P6, ADVANCE TAXATION (LAO)</b>		
<p><b>AIM</b></p> <p>To apply relevant knowledge and skills and exercise professional judgment in providing relevant information and advice to individuals and businesses on the impact of the major taxes on financial decisions and situations.</p>	<p><b>MAIN CAPABILITIES</b></p> <p>On successful completion of this paper, candidates should be able to:</p> <ul style="list-style-type: none"> <li>• apply further knowledge and understanding of the Laos tax system through the study of further capital taxes, together with more advanced topics within the taxes studied previously</li> <li>• evaluate and explain the importance of taxation to personal and corporate financial management</li> <li>• identify and evaluate the impact of relevant taxes on various situations and courses of action, including the interaction of taxes</li> <li>• provide advice on minimising and/or deferring tax liabilities by the use of standard tax planning measures</li> <li>• communicate with clients, HM Revenue and Customs and other professionals in an appropriate</li> </ul>	<p>MOF</p>
<b>P7, ADVANCE AUDIT AND ASSURANCE (INT)</b>		
<p><b>AIM</b></p> <p>To analyse, evaluate and conclude on the assurance engagement and other audit and assurance issues in the context of best practice and current developments.</p>	<p><b>MAIN CAPABILITIES</b></p> <p>On successful completion of this paper, candidates should be able to:</p> <ul style="list-style-type: none"> <li>• recognise the legal and regulatory environment and its impact on audit and assurance practice</li> <li>• demonstrate the ability to work effectively on an assurance or other service engagement within a professional and ethical framework</li> <li>• assess and recommend appropriate quality control policies and procedures in practice management and recognise the auditor's position in relation to the acceptance and retention of professional appointments</li> <li>• identify and formulate the work required to meet the objectives of audit and non-audit assignments and apply the International Standards on Auditing</li> <li>• evaluate findings and the results of work performed and draft suitable reports on assignments</li> <li>• understand the current issues and developments relating to the provision of audit related and assurance service.</li> </ul>	<p>LCPAA</p>

# Ethics

Values, ethics and governance are essential skills for finance professionals. That is why LCPAA has adopted a holistic approach to your trainees' ethical development via the exams syllabus, the practical experience requirements and Foundations in Professionalism and the Professional Ethics module – requirements to be completed in order to obtain these Lao CPA qualifications.

## **PROFESSTIONAL ETHICS MODULE**

As part of their ethical development, students are required to complete a training module, developed by LCPAA. This module gives students exposure to a range of ethical perspectives, and includes several self- tests which require them to reflect on their own ethical behaviour and values. They will be able to apply what they have learned in a case study where they can experience an audit situation from two points of view – that of the auditor and the corporate financial accountant.

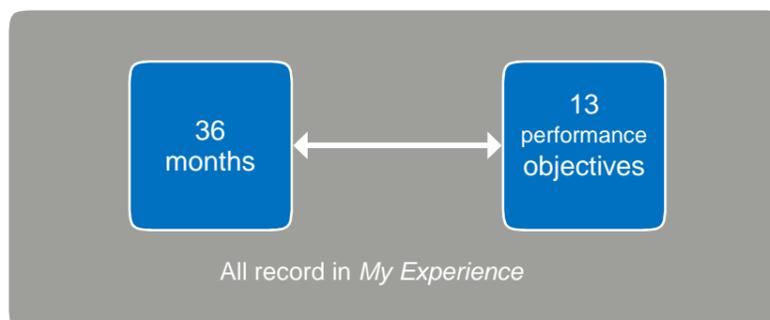
Students will be given access to the Professional Ethics module as soon as they become eligible to take Paper P1, *Governance, Risk and Ethics*. It is recommended that students take the Professional Ethics module at the same time as, or before, the *Governance, Risk and Ethics* paper is taken. While students have the flexibility to complete the ethics module at their own convenience, it must be completed as a requirement of gaining Lao CPA.

# Experience

To give you a more valuable employee, and demonstrate that trainees have the abilities and maturity required to become a Lao CPA, LCPAA provides a framework for trainees to gain high standards of knowledge and ability in the workplace.

## PRACTICAL EXPERIENCE REQUIREMENTS

A key element of the Lao CPA Qualification is the practical experience requirement (PER). The PER helps ensure that Lao CPA have the essential skills required by employers, complementing the knowledge they gain through the exams. Lao CPA's PER is designed to reflect international best practice in learning and development. Trainees must complete 36 months' relevant work experience and achieve their practical experience requirements before they are eligible to become an Lao CPA.



## ACHIEVING PERFORMANCE OBJECTIVES

Under the Lao CPA Qualification, trainees need to demonstrate that they have met a range of workplace performance objectives – benchmarks of effective performance. Performance objectives are divided into nine key areas of knowledge which are closely linked to the exam syllabus – reinforcing that any knowledge developed through the exams process will have a clear application in the workplace. Individuals will be required to achieve 13 performance objectives in total – all nine from Essentials and any four from Options

Trainees will demonstrate they have achieved a particular performance objective by responding to a set of 'challenge questions' – questions similar to those asked in a performance review, interview or appraisal. This will help them to describe their workplace achievements and encourage them to think about the quality of the work they have produced. It will also encourage the trainee to evaluate how the work they have completed has contributed to the workplace and benefited their employer

## RECORDING PRACTICAL EXPERIENCE

Trainees need to record their achievements based on the template report given by Lao CPA namely My Experience.

*My Experience* will provide the individual trainee with a valuable record of their workplace achievements – recorded through answering challenge questions. When these achievements are reviewed and signed off by a workplace mentor, the performance objective is achieved. Trainees can also use this facility to print out reports on their progress.

Trainees of employers who apply for the Lao CPA Approved Employer program trainee development stream and gain approval at gold or platinum level are exempt from having to complete *My Experience* as they have participated in their employer's own appraisal and performance scheme

ESSENTIALS PERFORMANCE COMPLETE ALL NINE	OPTION PERFORMANCE OBJECTIVES - CHOOSE ANY FOUR
<b>PROFESSIONALISM ETHICS AND GOVERNANCE</b>	<b>FINANCIAL ACCOUNTING AND REPORTING</b>
1. Demonstrate the application of professional ethics, values and judgment 2. Contribute to the effective governance of an organization 3. Raise awareness of non-financial risk	10 Prepare financial statements for external purposes 11 Interpret financial transactions and financial statements
<b>PERSONAL EFFECTIVES</b>	<b>PERFORMANCE MEASUREMENT AND MANAGEMENT ACCOUNTING</b>
4 Manage self 5 Communicate effectively 6 Use information and communications technology	12 Prepare financial information for management 13 Contribute to budget planning and production 14 Monitor and control budgets
<b>BUSINESS MANAGEMENT</b>	<b>FINANCE AND FINANCIAL MANAGEMENT</b>
7 Manage ongoing activities in your area of responsibility 8 Improve departmental performance 9 Manage an assignment	15 Evaluate potential business/investment opportunities and the required finance options 16 Manage cash using active cash management and treasury systems
	<b>AUDIT AND ASSURANCE</b>
	17 Prepare for and collect evidence for audit 18 Evaluate and report on audit
	<b>TAXATION</b>
	19 Evaluate and compute taxes payable 20 Assist with tax planning

### WORKPLACE MANTORS

Trainees require a workplace mentor to support their development and review their progress and achievements at work. The workplace mentor, alongside the trainee, will be responsible for:

- selecting which performance objectives trainees should work towards achieving
- setting targets in terms of performance and timescales
- providing access to appropriate work experience and supporting trainees' development,

- evaluating and reviewing a trainee's progress on a regular and ongoing basis.

The trainee enters details of their workplace mentor on *My Experience*. It could be their line manager or another suitably responsible individual. Wherever possible their workplace mentor should be a qualified accountant. The workplace mentor is provided with their own secure online *My Experience* access to review and sign-off the trainee's challenge questions answers.

