INSTITUTE OF BANKERS OF ZIMBABWE
EXAMINATION SYLLABUS
CERTIFICATE LEVEL
FINANCIAL ACCOUNTING I

THE NATURE OF THE SUBJECT

This syllabus has been designed to introduce the concept of double entry, its practical applications in Commercial and Non-commercial organisations and the relationship between detailed accounting records and periodic financial statements.

AIMS AND OBJECTIVES OF THE EXAMINATION

To enable candidates to demonstrate their ability to answer questions on basic accounting within the Zimbabwean context.

THE EXAMINATION

The Examination will be of three hours duration, plus ten minutes reading time during which period candidates may write on the Question Paper but not in their Answer Book.

Syllabus.

Candidates should note that it is not the intention to examine subject areas shown below individually. Rather, answers will provide the opportunity for candidates to demonstrate their knowledge and abilities over the whole of the syllabus or at least, those areas that are appropriate to the Question. The examination will cover the following areas.

1. (a) Definition of Accounting and its relationship to Book-keeping; the accounting equation and the double-entry method
   (b) Approaches to the preparation of accounting records i.e. the balance sheet approach and the cash book approach.

   (d) Ownership and risk
   (e) Breach and remedies
   ii. Special Sales
   (a) C.I.F. sales
   (b) F.O.B. and F.O.R. sales
   (c) The role of bankers in Financing International Trade

3. The law of Negotiable Instruments
   (a) Types of Negotiable Instruments
   (b) Crossings, endorsements, order and bearer cheques
   (c) Protection to bankers
   (d) True owner, lost and stolen cheques, duty of care of collecting banker
   (e) Stop payment cheques

4. (a) Hire Purchase sales
   (b) The law of agency
   (c) The law of Landlord and Tenant.

RECOMMENDED TEXTS

"The Banker and the law Institute of Bankers in South Africa, Johannesburg 1933 - AB Fourie
Malan on Bills of Exchange cheques and promissory - F R MALA.N Notes law: Butterworth, Durban 1994, .
Supplementary
The Consumer Contracts Act 1994
The Hire Purchase Act Chapter 14: 09
INSTITUTE OF BANKERS OF ZIMBABWE
EXAMINATION SYLLABUS
CERTIFICATE LEVEL
LAW RELATING TO BANKING

The Nature of the Subject:
This syllabus has been designed to enable candidates to show that they have adequate knowledge of the legislation under which banks and other financial institutions in Zimbabwe operate in situations in which they would, as bankers, be likely to become involved.

Aims and Objectives of the Examinations
The objectives of this course are to equip candidates with knowledge of the Zimbabwean legal environment within which banks and other financial institutions operate.

The examination
Candidates are advised that the question paper may include a multiple choice question, which will be compulsory.

Syllabus
Candidates should note that it is not the intention to examine subject areas shown below individually. Rather, answers will provide the opportunity for candidate to demonstrate their knowledge and abilities over the whole of the syllabus or at least, those areas that are appropriate to the question. The examination will cover the following areas:

1. The basic principles of the law of contract
   (a) Definition of a contract
   (b) Offer and acceptance
   (c) Intention to create legal relations
   (d) Terms of contract and factors vitiating enforceability
   (e) Discharge of a contract
2. The Contract of Sale
   i. (a) Definition
      (b) Essentials of a sale
      (c) Consequences of the contract
   2. (a) Fundamental accounting concepts
      - Going concern
      - Accruals
      - Consistency
      - Prudence
   (b) Other accounting concepts and conventions
   (c) Introduction to selected international accounting standards. No calculations will be required at this stage.
      - Disclosure of accounting policies (IAS 1)
      - Information reflecting the effects of changing prices (IAS 15)
3. The preparation of accounts
   (a) The use of the accounting system to record financial facts and relationships through the Journal, the cash book, and other books of original entry, the Ledger, and the Trial Balance.
   (b) Drawing up of financial statements for internal use
      - The income statement including year-end adjustments
      - The Balance Sheet including year-end adjustments
      - The Statement of Cash Flows, using both the direct and indirect methods
   (c) A detailed knowledge of depreciation methods and calculations, with particular reference to:
      - The straight-line method
      - The reducing balance method
      - The sum-of-digits method
      - Valuation method
      - The usage method
   4. Accounting for unincorporated businesses
      (a) Sole traders
      (b) Partnerships
      - Legal aspects
      - Basic accounts
      (c) Clubs and Societies
5. Incomplete records
- Preparation of financial statements when accounts are not kept using the double entry system
6. Bank reconciliation statements
- Basic procedures
- Identification of reconciling items
- Correction of errors
7. Valuation of stock
- First-in-first-out (FIFO) method
- Last-in-last-out (LIFO) method
- Weighted average (WA) method
- Periodic and continuous Stock-taking methods
- Lower of Cost and Net Realisable Value (NRV) basis
8. Correction of errors
- Errors which do not affect the trial balance
- Effects of errors on reported profits
- Horizontal analysis

Recommended Texts
Introductory Accounting J F Musamba. (M G Publishers)
A Practical Foundation in Accounting - H Johnson and A Wittham
Accounting for Zimbabwe - P Paradza (Polytechnic publications)
Denmark Study Pack

2. Interpersonal Communication
(a) - the communication process
(b) - barriers to effective communication
(c) - guidelines to effective communication

3. Organisational Communication
(a) - line and staff authority
(b) - communication system
(vertival, lateral, diagonal, informal and external)

4. Oral communication
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(a) - face to face conversation
(b) - telephone conversation
(c) - meetings
(d) - public speaking and speeches

5. Written Communication
(a) - memos
(b) - reports and summaries
(c) - notices, invitations
(d) - agendas and minutes
(c) - business letters
(f) - press releases
(g) - telegrams, telex and fax messages

6. Non-verbal Communication
(a) - graphics (use of interpretation and presentation)
(b) - body language

7. Grammar and Usage
(a) - Use of correct verbs, pronouns, adjectives, adverbs and sentences

8. Comprehension and criticism

RECOMMENDED TEXTS

Communication in Business – P Little
Any other texts on Business Communication and also text recommended for management 2
INSTITUTE OF BANKERS OF ZIMBABWE
EXAMINATION SYLLABUS
CERTIFICATE LEVEL
MANAGEMENT I
The Nature of the Subject
This syllabus has been designed to enable candidates to show that they have a good understanding of Management Theory, with emphasis on the various forms of communication. It Covers situations likely to be encountered by candidates seeking supervisory or management Positions within their respective organisations.

Aims and Objectives of the Examination
An introduction to the functions of management and the evolution of managerial theory. The nature of human communication and the barriers to communication. To understand the nature of communication within organisations and the problems associated with organizational communication. To understand the nature of oral communication in organisations and be able to handle the various forms it takes. To understand the nature of written communication in organisations and be able to structure appropriate documents. To understand the nature of communication media.

Syllabus
Candidates should note that it is not the intention to examine subject areas shown below individually. Rather, answers will provide the opportunity for candidates to demonstrate their knowledge and abilities over the whole of the syllabus or at least, those areas that are appropriate to the question. The examination will cover the following areas.

1. Introduction to managers
The role of managers. The evolution of management theory. The planning, organisation and influencing

INSTITUTE OF BANKERS OF ZIMBABWE
EXAMINATION SYLLABUS
CERTIFICATE LEVEL
INTRODUCTION TO ECONOMICS
THE NATURE OF THE SUBJECT
This syllabus has been designed to enable candidates to show that they have a broad basic knowledge of economics. It covers a wide range of economic topics and candidates will be required to demonstrate their ability to answer questions from anywhere within this range.

Aims and objectives of the Examination
To enable candidates to demonstrate their understanding of economic activity in the light of historical as well as current conditions.

Syllabus
Candidates should note that it is not the intention to examine subject areas shown below individually. Rather, answers will provide the opportunity for candidates to demonstrate their knowledge and abilities over the whole of the syllabus or at least, those areas that are appropriate to the question. The examination will cover the following areas:

1. INTRODUCTION
Scope of economics, basic economic problems, aspects of production, exchange, Consumption, distribution, the role of money, economic systems, capitalist vs. Socialist

2. Microeconomics
(a) Input and output markets, supply and demand curves, price signals and market equilibrium.
(b) Market failure, monopoly, public goods and externalities
(c) Government intervention, price Controls, indirect taxes and subsidies, control boards, stabilisation policy.
3. Macro/Monetary Economics
(a) Basic macroeconomic goals and instruments. GNP concept and its limitations
(b) Money: definition and functions
(c) The demand for money and the supply of money
(d) Inflation and unemployment, the nature and effects of inflation, causes of inflation, types of unemployment and the Phillips curve.

4. Economic Growth
Growth and development, growth in practice.

5. Economic Policy Issues
Economic systems, the mixed economy
(a) Privatisation, deregulation and competition.
(b) Central planning, market socialism, social democracy.
(c) Fiscal and monetary policies

6. The International Economy
(a) Trade and gains from trade
(b) International receipts and payments, the balance of payments
(c) The exchange rate

RECOMMENDED TEXTS
Introduction to Economics – Lipsey (Latest Edition)
Samuelson Mcgraw Hill
Positive Economics – Lipsey and Crystal
Oxford University Press
Economics - McConnell
Supplementary
Zimbabwe – An Introduction to the Economics of Transformation – Roussow, Baobab Books

10. Eurocurrency markets
(a) the nature of Eurocurrency markets
(b) factors encouraging the growth of Eurocurrency markets
(c) the link between Eurocurrency interest rates, domestic interest rates and exchange rates
(d) the future prospects of eurocurrency markets
(e) the problems of eurocurrency markets for regulation
(f) Eurocurrency loans in practice
(g) Can the eurocurrency markets flourish in Zimbabwe

11. International liquidity
(a) the nature and definition of international liquidity
(b) the role of gold, reserve currencies, SDR’s and the IMF reserve position in the international monetary system
(c) the IMF: its origins, organisation and functions
(d) IMF support to developing and other countries
(e) the IMF and international liquidity
(f) recent failures of national banking systems and the role the IMF played
(g) the IBRD role in international liquidity if any

Recommended Reading
Mastering Banking - D P Whiting: MacMillan
Elements of Banking 1 & 2 - Desmond Fitzgerald: Financial Training Publications
Monetary Economics: David J Goucher: Financial Training Publications
RBZ: Quarterly Economic Review
RBZ: Governors Monetary Statements
African Development Report 1997
Chapter 7 “Strengthening the Financial System”

Chapter 9 “The Way Ahead”

International Monetary Fund (1998)

“Toward a Framework for Financial Stability”
the IBRD role in international liquidity if any
8. **Exchange rates**
   (a) exchange rates in a floating regime
   (b) the Bretton Woods adjustable peg system
   (c) exchange rates and interest rates
   (d) government policy and exchange rates
   (e) the Zimbabwe dollars' behaviour in recent years
   (f) exchange rate systems
   (g) exchange rate determination in a market system (ESAP and ZIMPREST)
   (h) the challenges and prospects
   (i) exchange rate management: empirical reviews

9. **Balance of payments**
   (a) the structure of the accounts and what they represent
   (b) Zimbabwe’s balance of payments position
   (c) the terms of trade, its determination, definition and interpretation
   (d) factors influencing the components of the balance of payments
   (e) natural adjustments on the balance of payments
   (f) discretionary government policies to deal with balance of payments imbalances
   (g) implications for balance of payment adjustments: for Zimbabwe, for our trading partners
   (h) Foreign reserves, import cover - its determination and significance
The Zimbabwean Financial System

(a) the nature of financial intermediation
(b) the various financial intermediaries
(c) the Reserve Bank of Zimbabwe, its organisation, functions and authorities
(d) the commercial banks, both retail and wholesale, asset/liability structures, functions, organisational structures, profitability, liquidity and stability.
(e) non bank financial institutions (NBFI)
(f) the ties between NBFI and banks
(g) the financial intermediaries and money supply
(h) the primary market and the secondary markets
(i) financial liberalisation and deregulation, rationale, effects and policy issues.
(j) bank runs, causes, consequences and prevention.

3. The money supply
(a) the process of bank credit creation
(b) factors limiting the growth of bank credit
(c) effects of government borrowing on the money supply
(d) national debt management and the money supply
(e) effects of the balance of payments on the money supply
(f) basic principles of the control in either direction of the money supply

4. The theory of money
(a) the quantity theory of money
(b) the Keynesian theory of aggregate demand
(c) modern monetarist theories
(d) reconciling the Keynesian and monetarist views of money and inflation
(e) money and inflation in Zimbabwe; a tally of theory and empirical trappings.

5. Interest rates
(a) how the general level of interest rates is determined: liquidity preference and loanable funds theory
(b) the yield curves, the term structure of interest rates
(c) factors determining interest rate differentials among different financial assets
(d) Interest rate movements over time
(e) real interest rates and nominal interest rates
(f) The influence of the monetary authorities on interest rates
(g) The re-discount rate and the overnight accommodation rate
(h) The link between domestic and foreign interest rates
(i) The impact of interest rates on the domestic economy, the external position and the banking system.

6. Monetary policy and controls - general
(a) macroeconomic policy objectives and policy conflicts
(b) the role of monetary policy
(c) the linkages between monetary and fiscal policies
(d) methods of monetary control
(e) the implementation of monetary policy and its problems
(f) the ramifications of monetary policy on the banking system

7. Monetary controls in Zimbabwe
(a) monetary controls from 1980-1989; methods and impact
(b) the monetary controls introduced by ESAP and pursued into ZIMPREST
(c) the efficiency of the monetary controls used since 1990
(d) liquidity controls of the RBZ
(e) is this country over-policed as far as monetary controls are concerned?
(f) Zimbabwean monetary policy since 1980
(g) Relationship between monetary policy and other macro-economic policy tools (e.g. fiscal policy, trade and exchange rate policies)
(h) Legislation
    . Banking Act
    . Reserve Bank Act (to focus on provisions on monetary management)