



# LSBF'S GUIDE TO THE 2015 CIMA SYLLABUS

SHAPING SUCCESS IN BUSINESS AND FINANCE







## INTRODUCTION

The new CIMA syllabus is nearly upon us so we've put together this brief guide to the changes which may affect your studies from 2015 onwards.

We recognise the importance of having the most up to date information available to you so you can effectively plan your studies and you gain the best grades you can.

In this guide we cover the main points of the upcoming syllabus changes. You'll see that CIMA has retained the structure of the qualification, with the Enterprise, Performance and Financial 'pillars' and Operational, Management and Strategic levels all unchanged in the 2015 syllabus. Some of the topics within each paper have changed, with some topics moving to sit within different papers entirely.

There will also be significant changes to the exam process. Each paper on a level will be examined by means of a 90 minute computer based exams, then each level is assessed with a new Integrated Case Study exam.

Main points of the syllabus change:

- Certificate level unaffected
- Topics have done a bit of shuffling about between papers.
- Changes to exam process
- Retaining the 2010 syllabus structure with its pillars and levels

CIMA have added new material such as 'Big Data', sustainability, integrated reporting and finance function transformation. We have strengthened existing themes on costing and cost management, and carried the topic of 'risk' through all levels of the syllabus. They have also adjusted the weightings of some syllabus topics.







## New syllabus: Topics for each level

### Operational Level – E1

E1 focuses on the structuring of organisations. It covers the structure and principles underpinning the operational functions of the organisation, their efficient management and effective interaction in enabling the organisation to achieve its strategic objectives. It lays the foundation for gaining further insight into both the immediate operating environment and long-term strategic future of organisations, which are covered in E2 and E3.

Syllabus topic	Weight
Introduction to organisations	15
Managing the finance function	50
Managing technology and information	8
Operations management	10
Marketing	20
Managing human resources	12

## Operational Level – P1

P1 stresses the importance of costs and the drivers of costs in the production, analysis and use of information for decision making in organisations. The time focus of P1 is the short-term. It covers budgeting as a means of short-term planning to execute the strategy of organisations. In addition it provides competencies on how to analyse information on costs, volumes and prices to take short-term decisions on products and services and to develop an understanding on the impact of risk to these decisions. P1 provides the foundation for cost management and the long-term decisions covered in P2.

Syllabus topic	Weight
Cost accounting systems	30
Budgeting	25
Short-term decision making	30
Dealing with risk and uncertainty	15





## Operational Level – F1

F1 covers the regulation and preparation of financial statements and how the information contained in them can be used. It provides the competencies required to produce financial statements for both individual entities and groups using appropriate international financial reporting standards. It also gives insight into how to effectively source and manage cash and working capital which are essential for both the survival and success of organisations. The final part focuses on the basic principles and application of business taxation. The competencies gained from F1 form the basis for developing further insights into producing and analysing complex group accounts (covered in F2) and formulating and implementing financial strategy (covered in F3).

Syllabus topic	Weight
Regulatory environment for financial & corporate governance	10
Financial accounting and reporting	45
Management of working capital, cash and sources of short-term finance	20
Fundamentals of business taxation	25

## Management Level – E2

E2 syllabus emphasises a holistic, integrated approach to managing organisations, from external and internal perspectives. It builds on the understanding of organisational structuring gained from E1 and is centred on the concept of strategy and how organisational strategy can be implemented through people, projects, processes and relationships. It provides the basis for developing further insights into how to formulate and implement organisational strategy, which is covered in E3.

Syllabus topic	Weight
Introduction to strategic management and assessing the global environment	30
The human aspects of organisation	20
Managing relationships	20
Managing change through projects	30



## Management Level – P2

Focusing primarily on the long-term, P2 builds on the insights of costs and their drivers (from P1) to provide the competencies needed to analyse, plan and manage costs to support the implementation of the organisation's strategy. It shows how to manage and control the performance of various units of the organisation in line with both short-term budgets and long-term strategy. Finally, P2 covers investment decision making and the risks associated with such decisions. It provides the basis for developing deeper understanding of various types of risk affecting the strategy and operations of organisations (covered in P3).

Syllabus topic	Weight
Cost planning and analysis for competitive advantage	25
Control and performance management of responsibility centres	30
Long-term decision making	30
Management control and risk	15

## Management Level – F2

F2 builds on the competencies gained from F1. It covers how to effectively source the long-term finance required to fund the operations of organisations, particularly their capital investments. It also deepens the coverage of financial reporting to more complex aspects of group accounting and analyses the rules governing the recognition and measurement of various elements of the financial statements. Finally it shows how to analyse financial statements to provide insights about the financial performance and position of the organisation over time and in comparison with others.

### Syllabus topic

### Weight

Sources of long-term finance

15

Financial reporting

60

Analysis of financial performance and position

25



## Strategic Level – E3

The E3 syllabus builds on the insights gained from E1 and E2 about how organisations effectively implement their structures by aligning their structures, people, process, projects and relationships. E3 aims to develop the skills and abilities of the strategic leaders of organisations, enabling them to create the vision and direction for the growth and long-term sustainable success of the organisation. This involves successfully managing and leading change within the process of strategy formulation and implementation.

Syllabus topic	Weight
Interacting with the organisation's environment	20
Evaluating strategic position and strategic options	30
Leading change	20
Implementing strategy	15
The role of information systems in organisational strategy	15

## Strategic Level – P3

P3 shows how to identify, evaluate and manage various risks that could adversely affect the implementation of the organisation’s strategy. It provides the competencies required to analyse, evaluate and apply the techniques, processes and internal control systems required to manage risk. This insight is then used to show how to manage the risks associated with both cash flows and capital investment decisions – two important areas of organisational life for which the finance function is responsible.

Syllabus topic	Weight
Identification, classification and evaluation of risk	20
Responses to strategic risk	20
Internal controls to manage risk	20
Managing risks associated with cash flows	20
Managing risks associated with capital investment decisions	20



## Strategic Level – F3

F3 focuses on the formulation and implementation of financial strategy to support the overall strategy of the organisation. Using insights gained from F1 and F2, it provides the competencies to evaluate the financing requirements of organisations and the relative merits of alternative sources of finance to meet these requirements. Finally it develops the competencies required to value investment opportunities including the valuation of corporate entities for mergers, acquisitions and divestments.

Syllabus topic	Weight
Formulation of financial strategy	25
Financing and dividend decisions	35
Corporate finance	40

## Exam changes

From 2015, each paper will be assessed by an Objective Test, plus each level will have an Integrated Case Study (ICS) which combines the knowledge and learning at each level of the qualification – resulting in nine objectives tests and three integrated case studies. An increased number of your exams will be available on demand so you can fit your studies around you.

## PASS WITH LSBF

### Objective Test (OT) exams

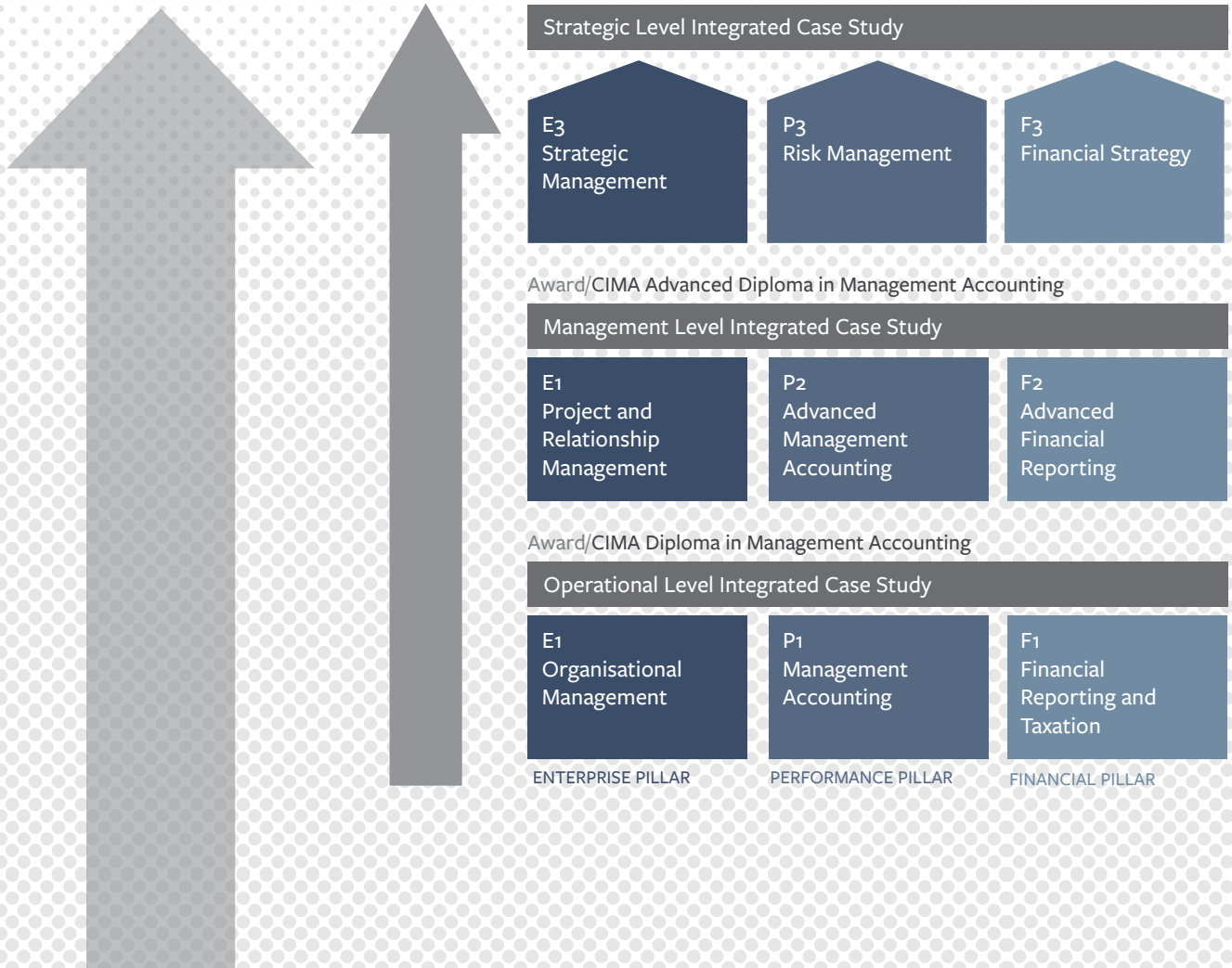
- 90 minutes long
- Computer based, available on demand
- One OT for each paper of each level
- Within each level students may sit the OTs in any order
- Exam results available immediately, and will provide specific feedback
- Students must complete 3 OTs at each level before they can tackle that level's ICS

### Integrated Case Study (ICS) exams

- 3 hours long
- Computer based
- One ICS for each level
- Include both pre-seen and unseen material
- Exam sittings will be available every 3 months
- Students must have completed 3 OTs at a particular level before attempting the ICS







## **PASS WITH LSBF**

- There will be no resits for any papers failed under the current syllabus in February 2015
- If you have passed any paper under the current syllabus, you do not have to sit the 2015 syllabus equivalent.
- If you fail a paper under the current syllabus, you will then have to sit the new 2015 syllabus Objective Test for that paper and the Integrated Case Study for that level.
- If you haven't completed a level by November 2014, you will have to resit any outstanding papers in that level plus the integrated case study.

**OUR SUGGESTION – try to ensure you've completed a level by the end of November 2014.**

For personalised advice on your next step please visit the CIMA website:

<http://www.cimaglobal.com/Students/2015-syllabus/Transition-arrangements/>







## London campus

22 Billiter Street, London, C3M 2RY, UK

**Tel:** +44 (0) 203 535 1375

**Email:** [professional@LSBF.org.uk](mailto:professional@LSBF.org.uk)

[www.LSBF.org.uk/CIMA](http://www.LSBF.org.uk/CIMA)

