



DEVELOPING BUSINESS-READY PROFESSIONALS

CASB: THE NEXT GENERATION

The CA designation is the recognized standard for accounting excellence; an outstanding education provides the foundation for attaining that standard. You'll get that education at the CA School of Business (CASB).

Preparing yourself to be a Chartered Accountant (CA) is about more than passing the national Uniform Evaluation (UFE). It's about building strong and lasting technical competence, critical thinking and professional judgment skills, values and ethics to take with you into your career. CASB's next generation of education is tailored for today's web-savvy students. Learn with us and you'll be prepared for a long, successful and rewarding career as a CA.



CA School of Business
British Columbia • Alberta • Saskatchewan • Manitoba

DECISIONS MATTER

WHAT MAKES CASB THE RIGHT CHOICE FOR YOU?

CASB’s next generation, competency-based education program strengthens the link between CA education and “on-the-job” performance. The program combines graduate-style education, practical experience and the expectation that CASB students will live and breathe the standards and ethics of practicing CAs from the minute their education begins. CASB students learn not only how to perform tasks and functions, but why they perform them and how they apply in the world’s ever-changing business environment. The CASB goal is graduates who are truly ‘business-ready.’

A CASB GRADUATE:

Nº. 1 understands the way organizations and business work.

CAs don’t sign up to be simply technical accountants. As a CA, you need to consider where and how business operations, organizational behaviour, and the external business environment fit in your workplace equation. Over the course of your CASB education, you’ll assume a number of different identities as part of a workplace simulation. This approach to learning will help you develop the job-ready skills you’ll need to navigate the work situations you’ll face over your career. You could be a company employee or a manager in one task; an employee at a Public Practice firm in another; an auditor for the Canada Revenue Agency in another. This role

playing will give you the opportunity to examine specific business issues from different perspectives, helping you develop a deeper understanding of the complexity of today’s business environment.

Nº. 2 is equipped to thrive even when times are tough.

The world of business is ever-changing and always challenging. And let’s face it, there’s rarely only one correct answer. That’s why CASB’s workplace simulation is designed so you can apply your knowledge and creative thinking to solve problems and develop integrated solutions to business issues you’ll face throughout your career. Through the CASB program, you’ll develop critical thinking

and professional judgement skills to complement your understanding of complex organizational and business environments, and you’ll be prepared for your real-life role as a CA.

Nº. 3 is prepared for the workplace.

CASB students learn by doing, in a program built on a set of nationally recognized competencies for CAs: technical competencies (what CAs do) and the pervasive competencies CAs need to demonstrate (how CAs do their work). You can’t have one without the other which is why, when you choose CASB, you’ll learn how to integrate all the competencies of a successful, practicing CA in everything you do, today and tomorrow.

THE “WHAT” AND THE “HOW” OF BEING A CA

TECHNICAL COMPETENCIES:

- Governance
- Strategy and risk management
- Finance
- Taxation
- Assurance
- Performance measurement and reporting
- Management decision-making

PERVASIVE COMPETENCIES:

- Ethical behaviour and professionalism
- Professional skills
- Personal attributes

Read more about the CA competencies here.



STRATEGIC DECISIONS. LEADERSHIP DECISIONS. FINANCIAL DECISIONS.

Chartered Accountants have the talent, integrity and expertise to make the right decisions. The first decision is CASB.

YOUR PARTNER IN EDUCATION + PREPARATION

WELCOME TO CASB: YOUR WESTERN CANADIAN CA EDUCATION PROVIDER

Successful completion of the CASB program is as important as the three years of practical experience required for your CA designation. Together they will ensure you develop the professional qualities, skills and technical competence expected of today's Chartered Accountants. CASB's program is designed for self-motivated, prospective CAs living in Alberta, British Columbia, Manitoba, Saskatchewan, the Yukon Territory, Northwest Territories and Nunavut.

CASB's program emphasizes student involvement and participation and comprises six learning modules, all led by trained facilitators who are also practicing CAs. There are five eight-week modules to help you develop the technical and pervasive competencies required by CAs, and one module to help you prepare specifically for the UFE.

CASB students role-play as they learn. At the beginning of the program, you'll be introduced to Vision Windows Limited (Vision), an organization that's grown from a one-man operation to a company contemplating listing on the Toronto Stock Exchange. Throughout Vision's life, many CAs have been involved in its affairs in different ways, in public practice or otherwise. CASB wants you to experience involvement in all capacities and you'll assume many different roles as you progress through the modules, including being an employee or manager of Vision; an employee of one of the public practice firms engaged to complete a wide range of services for the business and its owners; or an auditor from CRA. Facilitators play the role of managing partner, manager, or supervisor to the student within the framework of the module.

MODULES ONE TO FIVE

In the first five modules, CASB students learn online and face-to-face. All modules include opportunities for collaboration and individual learning.

Online learning

Today's CASB students are used to the virtual office and are comfortable communicating with each other and with their online facilitators via emails and the discussion board. CASB's Blackboard program is a user-friendly, web-based learning delivery system designed to enable you to manage your own learning. Blackboard includes email, discussion boards for common postings, and a chat feature.

You'll learn by doing as you work through the five modules. Every week, you'll go online to access a narrative of events for the workplace simulation, along with notes for discussions, facts to help you, and a number of required tasks. While these tasks will seem very directive initially, as you progress through the modules and become familiar with CASB's expectations, the tasks will become less directive and the material more complex.

Face-to-face sessions

During each of the first five modules, you will attend a three-day, face-to-face session with a facilitator and other CASB students. Chartered Accountants need to be able to speak in group situations and lead discussions so CASB uses these sessions to help you develop your competence in this area. Participation, leadership, and courtesy are all evaluated requirements of these sessions.

Evaluation

At the conclusion of each module, you'll complete multiple choice questions and a four-hour case simulation to illustrate you've understood what you've learned and can apply both your knowledge and practical skills in challenging workplace scenarios. To be most successful, you'll provide competent, well-rounded, professional responses that demonstrate both technical and pervasive competencies.

MODULE SIX

Module six is a two-week, face-to-face session held in late July, specifically designed to help you prepare for the UFE. In module six, you also get access to www.UFEPrep.com, which provides materials to help you improve your case writing abilities.

THE UNIFORM EVALUATION (UFE)

Once you've successfully completed the six CASB modules, you'll proceed to the UFE, a three-day, competency-based evaluation using a five-hour comprehensive case simulation as well as a number of multi-subject simulations. This national UFE ensures all Canadian CAs meet the same high standards – standards recognized nationally and internationally.

WHAT CASB STUDENTS CAN EXPECT

As a CASB student, you'll:

- Be actively involved in your own learning and competency development.
- Learn through role-play, working on scenarios and issues you'll face in the real world of work.
- Look at business issues from different perspectives, and develop strong critical thinking and problem solving skills as a result.
- Learn, understand and be ready for changing accounting and auditing standards.
- Understand that being a CASB-educated CA is about more than being an accountant: it's about demonstrating excellence in all you do.

Think excellence. Think CASB.

For more detailed information on the full CASB program, consult the Student Resource Guide.



YOUR CASE STUDY

VISION WINDOWS LIMITED

CASB's first generation of educational programming introduced students to Parkhurst & Loewen Chartered Accountants, where they role-played being employees of a public practice firm providing a broad range of professional services to clients. CASB's next generation program expands that perspective, introducing students to Vision Windows Limited (Vision), an international organization that's grown from a one-man operation to a company contemplating listing on the Toronto Stock Exchange. In the Vision simulation, students assume roles working within and outside of the company.

Throughout its life, many Chartered Accountants have been involved in Vision's affairs, each in different capacities. Not all were in public practice. We want our students to experience that involvement! As you progress through the modules, you will be challenged to consider the users' levels of knowledge and their objectives in order to understand your role or perspective. Your role could be that of an employee or manager of Vision, an employee of various Public Practice Firms engaged to complete a wide range of services including assurance, compilation, consulting, taxation, or valuation services for the business and its owners, or an auditor from CRA, to name a few.

The Early Years: Hans Supeene, who incorporated Vision, operated the business from his home until he was forced to relocate his prospering business to leased premises in an industrial park located in Burnaby, British Columbia. Soon thereafter, Vision purchased the premises that continue today as the company's head office. The business initially focused on the installation and repair of wooden windows. Hans, a Belgium-trained carpenter, was highly respected in the industry. His attention to detail and his honest treat-

ment of his staff and customers earned him the Burnaby Chamber of Commerce Small Business Award. The housing boom on the West Coast of North America prompted Hans to expand his product line. Due to chronic supplier delays and faulty workmanship, Vision established its own manufacturing plant to produce vinyl-clad windows, metal doors, greenhouses and greenhouse windows. Module 1 focuses on the issues faced by Hans and other entrepreneurs as their companies mature.

Sale of the Business and the Transition to New Owners and Management: In order to effectively compete with large window manufacturers, it was clear that Vision would have to expand by constructing larger facilities or acquiring other companies in the industry. Both alternatives required large cash infusions. Hans and his family faced a difficult decision. Although his wife, Leslee, was prepared to accept either option, Hans knew she wanted to return to Belgium to raise their two children. After determining the worth of Vision and receiving numerous purchase offers, Hans ultimately decided to sell the business to his General Manager Elmer Hughes (60%) and Sales Manager Arnie Chan (40%). Hans and his family moved

to Brussels, where they currently reside.

Realizing they lacked the formal business training to implement their expansion plans, Hughes and Chan enticed Susan Lang, a business consultant, to join Vision by offering her a 20% ownership stake in Vision—each selling a 10% interest to her. Her ambitious plan identified many potential acquisitions in Canada, the UK and the US. Brennan Brothers, a venture capital group headquartered in Edmonton, provided financial advice and assisted in securing the necessary financing

Module 2 focuses on the valuation of the business, the tax consequences of selling it and Hans' move to Belgium. The new management group identifies its first acquisition target and requires assurance that the financial statements of the target are not materially misstated.

Vision Becomes a Multinational Company: Vision continues to grow and expand. Transactions with international customers and acquisition of companies outside of Canada present many new challenges for the management group. New investors and financing partners demand greater assurance on Vision's financial information. Careful preparation of corporate tax returns and closer evaluation of the tax consequences of Vision's proposed transactions are now required. As the company implements better information systems and bolsters its management team, the three shareholders and their financial advisor must consider the potential effects of taking the company public—from a financial accounting and taxation perspective. Module 3 addresses the consolidation of a Canadian and a UK subsidiary. Management identifies that new software will be required for the growing company and completes an analysis of its outdated disaster recovery plan.

Time for Some Introspection: With several acquisitions completed, management focuses its attention on maximizing the return from its assets. The increased size of the corporate group requires stronger governance and effective strategic planning. Management needs effective means for measuring the performance of each of its operating units. Cash Flows require closer monitoring. Management faces many decisions as securing new financing becomes more difficult. With a possible public offering in the future, management must address the effects of implementing International Financial Reporting Standards (IFRS), including the consequences on its financial statements. Module 4 works through these issues and offers the opportunity to analyze investment opportunities available to Vision.

Vision Contemplates an IPO: Is it time to take Vision public? The regulations are onerous and complicated. Management is becoming aware of the high cost and significant time commitment needed to make this a reality. The financial statements would be under much greater scrutiny than when Vision was privately owned. Module 5 works through the issues faced by management as it contemplates an IPO decision—one that will have far-reaching implications for Vision.

Completing the Modules: The above is a brief summary of how Vision evolved. The next page contains a timeline of Vision to assist in navigating the modules. Dates have been purposely omitted to avoid confusion. It is important to understand that Vision's evolution is presented over a 20-year period. Following the Vision timeline are module storyboards summarizing the tasks for that module.

CASE STUDY TIMELINE

EVOLUTION OF VISION WINDOWS LIMITED



MODULE ONE: THE EARLY YEARS

Vision incorporated by Hans Supeene. Company expands to three divisions: vinyl-clad windows, metal doors, greenhouses and greenhouse windows. As with most companies, cash flow issues arise and numerous personal and corporate tax matters require attention. Company and external accountants prepare and discuss adjusting journal entries as well as analyzing and discussing the presentation of selected financial matters. Company faced with many decisions- hiring new external accountant, buying or leasing assets, allocating costs to the three operating divisions, having an audit or review engagement performed.

YOUR ROLE(S): employee of Vision / associate, Parkhurst and Loewen Chartered Accountants (P&L CA)

STORYBOARD: see Appendix 1

MODULE TWO: SALE OF THE BUSINESS AND TRANSITION TO NEW OWNERS AND MANAGEMENT

Hans has received a number of offers to buy Vision. He engages a CA Firm to provide him with a valuation report and determine the tax effects of each offer. Due to the poor economy, the intended purchaser is unable to complete the transaction. Hans is approached by two of his managers (Elmer Hughes and Arnie Chan) who express interest and are successful in completing the purchase of Vision. Hans and his family contemplate the tax consequences of moving to Belgium. The new owners of Vision are eager to expand the business. A third shareholder who has experience in strategy is added and a potential acquisition, Western Homes Centres Inc. (Western), is identified. Parkhurst and Loewen are engaged to complete the audit of Western.

YOUR ROLE(S): associate, Lee & Paul Chartered Accountants / associate, P&L CA

STORYBOARD: see Appendix 2

MODULE THREE: VISION BECOMES A MULTINATIONAL COMPANY

Completion of the audit of Vision and the acquisition of 80% of the shares of Western. Vision purchases 100% of Dante Windows Limited, a UK company. With the added subsidiaries there are many consolidation and foreign currency issues requiring careful attention. With an expanded accounting department, more attention is being paid to variance analysis, the need to acquire new software and the adequacy of the company’s disaster recovery plan. With the larger employee and management

group, management is considering the potential tax consequences of issuing stock options.

YOUR ROLE(S): associate, P&L CA / assistant controller, Vision

STORYBOARD: see Appendix 3

MODULE FOUR: TIME FOR SOME INTROSPECTION

Vision’s controller, Denise Charron, moves to England to run Dante Windows Limited. The new controller’s first job is finalizing the financial statements in preparation for the year-end audit. Both Western and Vision are experiencing operational and financial challenges as evidenced by Vision’s loss. The three shareholders realize they will not achieve their goal of taking Vision public unless more attention is focused on governance and strategic planning. In conjunction with making improvements in governance, Vision is considering a number of new investment opportunities including due diligence on another acquisition to further its expansion. As Vision is unable to secure financing with its bankers, it focuses attention on short-term cash flow management and approaches Brennan Brothers, a venture capital group, to provide additional financing.

YOUR ROLE(S): controller, Vision

STORYBOARD: see Appendix 4

MODULE FIVE: VISION CONTEMPLATES AN IPO

Management of Vision explore financial reporting, financing, taxation, regulatory and governance issues associated with a potential initial public offering on the Toronto Stock Exchange. As an Associate, students are exposed to a variety of topics including the identification and audit of related parties, information technology controls, tax planning, accounting for pension plans, segment reporting requirements, financial instruments accounting standards, and international financial reporting standards.

YOUR ROLE(S): assistant controller, Vision / associate, P&L CA / UFE candidate, P&L CA

STORYBOARD: see Appendix 5

APPENDIX 1

MODULE ONE STORYBOARD

WEEK ONE

- Preparation of adjusting journal entries - revenue recognition, inventory cutoff, capitalization of fixed assets, accrued liabilities, and revised financial statements.
- Definition of an asset - HB. S1000.
- Factors to consider in switching from a Review to an Audit engagement.
- Reflection on the effectiveness of your communication style.
- Review of CA Competency Map. Identify and discuss pervasive qualities and skills.
- Application of the Rules of Professional Conduct.

COMPETENCIES ADDRESSED:   

WEEK TWO

- Discussion of T4 filing, shareholder loans and payment of shareholder bonuses.
- Discussion of whether to purchase a car personally or through a corporation, including a discussion of automobile standby charges.
- Introduction to IFRS*.
- Explanation of guidelines CRA uses to determine employees versus contractors.
- Deciding whether to buy or lease an asset, including a discussion of qualitative factors.
- Analysis of IT policies and controls.

COMPETENCIES ADDRESSED:     

WEEK THREE

- Preparation of a draft cash flow statement.
- Discussion of revenue recognition adjustment.
- Analysis of allocation of expenses amongst different divisions.
- Discussion of new policies and procedures for purchasing, disbursements and payables.
- Calculation of gross employment income for tax purposes.

COMPETENCIES ADDRESSED:     

WEEK FOUR

- Analysis of cash flow and debt problems.
- Reconciliation of corporate accounting net income to net income for income tax purposes. Calculation of taxable income and taxes payable.
- Discussion of credit granting process.
- Preparation of divisional income statements.
- Presentation of differential reporting requirements.

COMPETENCIES ADDRESSED:     

COMPETENCY AREAS:

-  ASSURANCE
-  ASSURANCE (IT)
-  FINANCE
-  GOVERNANCE, STRATEGY & RISK MANAGEMENT
-  MANAGEMENT DECISION MAKING
-  PERFORMANCE MEASUREMENT & REPORTING
-  PERVASIVE
-  TAXATION

WEEK FIVE

- Analysis and discussion of client acceptance issues.
- Discussion of measures to safeguard independence in assurance engagements.
- Determination of engagement materiality.
- Preparation of financial statement analysis and identification of accounts that need further investigation.
- Discussion of financial statement assertions.

COMPETENCIES ADDRESSED:  

WEEK SIX

- Discussion of the effect on the Review engagement report as a result of a difference on the valuation of an AR balance and difficulties with the opening balance of inventory.
- Discussion of Compilation versus Review engagements.
- Preparation of adjusting journal entries and revised net income.
- Reconciliation of accounting partnership net income to net income for income tax purposes. Preparation of form T2124.

COMPETENCIES ADDRESSED:    

WEEK SEVEN

- Preparation of cash flow statement.
- Preparation of personal tax returns.
- Discussion of the tax implications of gifting.
- General discussion of wills, and the transfer of assets upon the death of a taxpayer.
- General review of financial instruments. Specific analysis of financial instruments held by Vision.

COMPETENCIES ADDRESSED:    

WEEK EIGHT

- Discussion of “rights and things” for tax purposes. Preparation of a final tax return for an individual.
- Presentation of tax administrative matters - deadlines, interest, penalties, retention of records.
- Preparation of break even analysis.
- Discussion of initial impressions as a public accountant on an initial review engagement.
- Discussion of value added to Vision by the assistant controller.

COMPETENCIES ADDRESSED:   

APPENDIX 2

MODULE TWO STORYBOARD

WEEK ONE

- Review the Rules of Professional Conduct and explain why P&L cannot perform the valuation of Vision Windows Ltd.
- Discussion of business valuation approaches.
- Prepare a capitalized cash flow valuation, and compare this valuation to the FMV of the net tangible assets.
- Discussion of the qualitative factors to be considered in the sale of a business.

COMPETENCIES ADDRESSED:

WEEK THREE

- Analysis of inherent and control environment risk factors.
- Determination of a materiality assessment.
- Analysis of overall financial statement level risk and specific account level risk.
- Completion a financial statement analysis.
- Completion of the analysis of AR confirmation results and alternative verification procedures.

COMPETENCIES ADDRESSED:

WEEK TWO

- Explanation of why an offer to purchase assets will usually be more than an offer to purchase shares.
- Discussion of the tax implications of an offer to purchase shares versus assets.
- Calculation of the net cash proceeds that would be received from each offer.
- Analysis of residency determination for tax purposes.
- Discussion of the tax consequences of emigration.

COMPETENCIES ADDRESSED:

WEEK FOUR

- Completion of the control risk analysis for Revenue-Receivables-Receipts system.
- Discussion of assertions and procedures for AR audit.
- Discussion of engagement issues arising from the outstanding bill owed to the previous auditor.
- Explanation of requirement to control AR confirmations.
- Calculate the likely misstatement of AR confirmation errors.
- Complete year end adjustments for Temporary and LT investments. Request supporting documentation.

COMPETENCIES ADDRESSED:

COMPETENCY AREAS:

- ASSURANCE
- ASSURANCE (IT)
- FINANCE
- GOVERNANCE, STRATEGY & RISK MANAGEMENT
- MANAGEMENT DECISION MAKING
- PERFORMANCE MEASUREMENT & REPORTING
- PERVASIVE
- TAXATION

WEEK FIVE

- Complete control risk analysis for the Purchases, Payables and Disbursement cycle.
- Calculate likely misstatement of inventory pricing errors.
- Discussion of audit procedures to establish existence and completion of inventory.
- Discussion of procedures to establish existence and completeness of capital assets.
- Suggestion of useful CAAT’s inquiry reports to assist in inventory audit.
- Discuss issues arising from a deficient inventory count.

COMPETENCIES ADDRESSED:

WEEK SEVEN

- Discussion of legal enquiry letter and follow up audit procedures.
- Analysis of subsequent events.
- Finalize the summary of unadjusted differences, and consider if any change to materiality is necessary.
- Reconciliation of corporate accounting net income to net income for income tax purposes.
- Calculation of taxable income and taxes payable.
- Critique of an IT systems upgrade plan.

COMPETENCIES ADDRESSED:

WEEK SIX

- Discussion of specific audit procedures for the bank reconciliation.
- Complete the control risk analysis for accounts payable.
- Discussion of the results of confirmations and analytical procedures for accounts payable.
- Discussion of the accounting issues arising from the audit of capital assets.
- Explanation of the circumstances where an audit reservation may be necessary.

COMPETENCIES ADDRESSED:

WEEK EIGHT

- Preparation of consolidated balance sheet at the date of acquisition.
- Review an offer to purchase a new investment.
- Discussion of assurance-audit versus review.
- Completion of a comprehensive analysis and preparation of an audit planning memo.

COMPETENCIES ADDRESSED:

MODULE THREE STORYBOARD

WEEK ONE

- Outstanding issues re: Vision audit to be addressed: legal letter, subsequent events.
- Accounting for foreign currency - sales, debt and interest expense.
- Review Consolidation Tutorial and complete consolidation exercise.

COMPETENCIES ADDRESSED:  

WEEK TWO

- Discussion of permanent establishments.
- Allocation of income to provinces and calculation of abatement.
- Preparation of corporate tax return in Excel.
- Financial instruments - correction of accounting for preferred shares as debt and equity.

COMPETENCIES ADDRESSED:   

WEEK THREE

- Accounting for 80% acquisition of subsidiary.
- Recasting financial statements using IFRS into GAAP presentation including discussion of all differences.
- Classification of a subsidiary as integrated or self-sustaining.
- Calculation of goodwill and preparation of opening elimination entry re: foreign subsidiary.
- Determination of marginal tax rates for dividends and tax-effective distribution of dividends to shareholders.

COMPETENCIES ADDRESSED:  

WEEK FOUR

- Analysis of a sale and lease opportunity.
- Translation of foreign subsidiary’s financial statements.
- Review of Hedging Tutorial and discussion of appropriateness of hedging.

COMPETENCIES ADDRESSED:     

COMPETENCY AREAS:

-  ASSURANCE
-  ASSURANCE (IT)
-  FINANCE
-  GOVERNANCE, STRATEGY & RISK MANAGEMENT
-  MANAGEMENT DECISION MAKING
-  PERFORMANCE MEASUREMENT & REPORTING
-  PERVASIVE
-  TAXATION

WEEK FIVE

- Analysis of potential acquisition – overall risk of investment considerations, analytical review of financial statements, identification of specific areas of concern for closer examination.
- Variance analysis of product line.
- Read case re: FFIS – prepare outline.

COMPETENCIES ADDRESSED:      

WEEK SIX

- Correction of error in accounting for an investment - available for sale versus equity method.
- Consolidation of elimination entries and preparation of consolidated financial statements.
- Purchase of software.

COMPETENCIES ADDRESSED:   

WEEK SEVEN

- Audit of consolidation worksheet.
- Tax planning for divorce - tax implications associated with a preliminary divorce agreement.
- Analysis of a disaster recovery plan.
- Explanation of integration and taxation of investment income.
- Implications of a longer subsequent event period under IFRS as compared to Canadian GAAP.

COMPETENCIES ADDRESSED:      

WEEK EIGHT

- Work to be done related to an error, criticism of a colleague and accounting for inventory using IFRS.
- Legal liability - negligence of an auditor.
- Section 5805 and section 9100 reports.
- Tax consequences of issuing employee stock options—public versus private company as issuer.

COMPETENCIES ADDRESSED:    

APPENDIX 4

MODULE FOUR STORYBOARD

WEEK ONE

- Year-end financial statement completion: deferred development costs, asset impairment, ARO, non-monetary transactions, grants and warranty accrual.
- Review of contracts to identify financial instruments, adjustments for HFT and AFS securities.
- Audit of deferred development costs, financial instruments, asset impairment and financial instruments.

COMPETENCIES ADDRESSED:  

WEEK THREE

- Future income tax provision.
- Implications of proposed staff and shareholder benefits.
- Not for profit - accounting for contributions - deferral, restricted fund, donated, basic filing requirements, advice for new board member.
- Ethical considerations related to donation receipts.
- IFRS implementation.
- IFRS inventory, PPE (impairment and componentization, research and development, government grants).

COMPETENCIES ADDRESSED:   

WEEK TWO

- Corporate tax return / implications of non-capital losses.
- Inventory: standard costing and GAAP, change in accounting policy.
- Branch performance review.
- Board effectiveness and the need for strategic planning.


COMPETENCIES ADDRESSED:     

WEEK FOUR

- Intro to group project - investment opportunity.
- One year CF budget.
- Loan analysis (financial statement / CF analysis from lender’s perspective).
- Auditor’s responsibility for detecting fraud and identification of fraud risk factors.

COMPETENCIES ADDRESSED:     

COMPETENCY AREAS:

-  ASSURANCE
-  ASSURANCE (IT)
-  FINANCE
-  GOVERNANCE, STRATEGY & RISK MANAGEMENT
-  MANAGEMENT DECISION MAKING
-  PERFORMANCE MEASUREMENT & REPORTING
-  PERVASIVE
-  TAXATION

WEEK FIVE

- Continuation of group project - investment opportunity.
- Consultant to NPO Board / management regarding operational and strategic / governance issues.
- Evaluation of and accounting treatment of a long term supply contract.
- Replacement property rules.

COMPETENCIES ADDRESSED:     

WEEK SEVEN

- Due diligence review of prior tax returns of company to be acquired.
- General and specific due diligence procedures of company to be acquired.
- Audit of standard costs and inventory system control testing, inventory roll-forward.
- Five-year future CF, working capital management, sale of redundant assets, alternative financing.

COMPETENCIES ADDRESSED:    

WEEK SIX

- Completion of group project - investment opportunity.
- Assessment of application of critical thinking skills to group reports.
- Summary review of other investment opportunities in preparation of group presentations at FFIS.
- Review and improvement of strategic plan presented by management.
- Outline of FFIS case.

COMPETENCIES ADDRESSED:       

WEEK EIGHT

- Design of performance measures including non-financial.
- System conversion.
- Ethical issues at NPO, auditor adjustments.

COMPETENCIES ADDRESSED:     

APPENDIX 5

MODULE FIVE STORYBOARD

WEEK ONE

- Issues re: going public. Read relevant IT material from Handbook Sections 5141. Prepare memo identifying general and application control weaknesses in the receipts/sales/receivables IT systems, discuss the implications and provide recommendations that address the weaknesses identified. Recommend system improvements to help complete the audit engagement.
- Review audit planning memo (focus on risk assessments, materiality and planning for specific risks, financial instruments).
- UFE Prep Question - accounting policy choices, revenue recognition, user strategic objectives and tax.

COMPETENCIES ADDRESSED:

WEEK THREE

- Accounting for pensions (including pension calculations, adjusting journal entry and discussion of the meaningfulness of the provided pension disclosure). Handbook Section 5970 - assurance engagement on pension fund management of assets.
- Five-year year NPV and incremental cost analysis. Analysis of division.
- Auditor’s responsibilities on using actuary’s work Handbook Sections 5049 and 5365.
- UFE Prep Question - accounting policy choices, consideration of the users and user bias.

COMPETENCIES ADDRESSED:

WEEK TWO

- Contribution margin analysis including capacity constraints and opportunity costs.
- Review accounts receivable, inventory, accounts payable and revenue sections of the file (focus on assertions).
- Percentage of completion calculations.
- Review Handbook Section 3840, identification of related parties, the associated risks and the necessary audit procedures.
- UFE Prep Question - special investigation including the definition of accounting basis and procedures required to substantiate the inclusion of costs in a schedule.

COMPETENCIES ADDRESSED:

WEEK FOUR

- Prospectus - identify financial statements required for various filing dates, regulatory requirements to be auditor of reporting issuer, deadlines for filing annual and interim public company financial statements.
- Identify accounting and disclosure implications of a private company going public.
- Qualitative and quantitative analysis of investment opportunity with sensitivity analysis.
- UFE Prep Question: issues for planning memo for audit (materiality, risk, key issues financial instruments).

COMPETENCIES ADDRESSED:

COMPETENCY AREAS:

- ASSURANCE

ASSURANCE (IT)

FINANCE

GOVERNANCE, STRATEGY & RISK MANAGEMENT
- MANAGEMENT DECISION MAKING

PERFORMANCE MEASUREMENT & REPORTING

PERVASIVE

TAXATION

WEEK FIVE

- Read Handbook Section 1751 - Interim Reporting - and, given the case specifics, advise the client as to what to include on interim financial statements.
- Review of audit committee responsibilities (governance).
- Proposed disposition of shares of CCPC going public - election to bump up the adjusted cost base and the use of the capital gains exemption.
- EPS calculations and entry for granting of stock options.
- UFE Prep Question - review of the working paper files of four engagements.

COMPETENCIES ADDRESSED:

WEEK SEVEN

- Read Handbook Section 4250, (Assurance Guidelines 6 and 16). Discuss forward looking information in MD&A.
- Read “Beyond the Audit Report” CA Mag (Sept. 2003 article) - auditor involvement with security offering documents, Sections 7110, 7115, 7200 & 7500. Describe difference between a comfort letter and consent letter.
- Public company - independence prohibitions.
- Mini Case - file completion - issues including valuation of tangibles and intangibles, revenue recognition, coupon liability, completion of inventory and AP sections. Case is reviewed at the FFIS.
- Read case re: FFIS—prepare outline.

COMPETENCIES ADDRESSED:

WEEK SIX

- Review and apply Handbook Sections 1701. Tax consequences for selling a subsidiary, wind-up of a subsidiary, or keeping a subsidiary (with an acquisition of control). ITA sections 40(3.3) (3.4) loss denial on transfer of shares and ITA 67 charging of management fees.
- Accounting and tax treatment for share issue costs. Tax consequences of going public.
- UFE Prep Question - fraudulent transactions and ethics, fraud risk factors, rules of professional conduct.

COMPETENCIES ADDRESSED:

WEEK EIGHT

- Identification and discussion of financial instrument, revenue recognition, asset, capital management, and IFRS reporting issues (1530, 3251, 3855 and 3862, 3863).
- Foreign Tax Credit.
- Tax consequences of shareholder debit balances and employee loans.
- Personal financial planning.

COMPETENCIES ADDRESSED:



NEED MORE INFORMATION?

CHECK OUT THESE ONLINE RESOURCES:

- <http://www.casb.com>
- <http://www.becomea.ca>
- <http://www.ica.bc.ca>
- <http://www.AlbertaCAs.ca>
- <http://www.icas.sk.ca>
- <http://www.icam.mb.ca>
- <http://www.icayk.ca>
- <http://www.icanwt.nt.ca>
- <http://www.cica.ca>
- <http://www.decisionsmatter.ca>



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