

Memorandum

To All CA Training Offices (CATOs)
All candidates eligible to write the 2010 UFE

From The CASB Module 6
Development Team (Scott
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Subject **MODULE 6 / UFE PREPARATION**

Date January 18, 2010

2010 Module 6 Program

The 2010 Module 6 offering will take place between July 19 and 30, 2010. The comprehensive program will include our UFEPrep.com website (www.UFEPrep.com), complete with sample simulations and resource material; FFIS sessions designed to fine tune our UFE candidates' writing skills; written feedback on their responses to practice simulations; and the opportunity to write the Qualification UFE Simulation under UFE exam conditions on August 3, 4 & 5, 2010.

We would like to draw your attention to four important items:

1. Changes to the 2010 Competency Map and CASB's support for these changes
2. Mandatory use of laptops for the 2010 UFE
3. Critical dates for Module 6
4. Calendar of simulations for the FFIS sessions in July/August

More detailed information on all aspects of the program will be distributed in March.

Changes to the 2010 Competency Map and CASB's Support for these Changes

The UFE Candidates' Competency Map: Understanding the Professional Competencies Evaluated on the UFE (2009 - Effective for the 2010 UFE) (2010 Competency Map) is now accessible at <http://www.cica.ca/become-a-ca/documents/item9604.pdf>.

The following summarizes the changes to the 2010 Competency Map and advises candidates of CASB resource materials that will be available during Module 6 to deal with these changes. Remember that candidates are not expected to be specialists. Rather, any simulation including this new material must be considered within "normal circumstances", and a response should conform to the expected level of proficiency contained in the 2010 Competency Map.

Significant Changes to Performance Measurement and Reporting and Assurance Competencies

With the approaching implementation of International Financial Reporting Standards (IFRSs), the adoption of International Standards in Auditing (ISAs) as Canadian Auditing Standards (CASs) and the recent release of new Private Enterprise GAAP, it is important that all candidates understand and adequately prepare themselves for these changes.

While Performance Measurement and Reporting is an important competency of the UFE (i.e. representing between 20 - 30%) and has undergone significant changes, it is important to allocate sufficient time to all specific competencies. Performance Measurement and Reporting is only one part of your study plan.

Knowledge Expectations for 2010

International Financial Reporting Standards

Last year candidates were responsible for 10 IFRSs and the Conceptual Framework. This year, in addition to the Conceptual Framework, that number has been increased to 21 standards and seven interpretations. Many IFRS standards have been omitted in 2010 because they are either considered outside the scope of normal circumstances or undergoing revisions and therefore subject to change.

For the 2010 UFE, candidates are therefore responsible for applying the accounting recommendations of the current CICA Handbook (those issued and effective before March 31, 2010), and the 21 IFRSs and seven interpretations noted above. Candidates must be able to describe the differences between Canadian GAAP and IFRSs, apply the underlying conceptual framework, and apply the IFRSs, within normal circumstances and where appropriate, at a level A, B or C as described in the Performance Measurement and Reporting section of the 2010 Competency Map.

In order to put this material into perspective and assist candidates in including it in their study plans, we have categorized the standards and interpretations into three categories (See Appendix A):

- Standards with few differences compared to the current recommendations of the Handbook.
- Standards with some differences from the current recommendations of the Handbook.
- Standards that are more challenging or have more significant differences compared to the current recommendations of the Handbook, and, in our opinion, require more time and effort.

The Module 6 development team is currently preparing tutorials covering these 21 IFRSs, including the related interpretations. The tutorials will vary in length and complexity depending on the significance of the differences and will be available on the UFE Prep website (www.UFEPrep.com).

Where appropriate, Evaluation Guides for Module 6 simulations will be expanded to highlight differences between current Handbook standards and IFRSs.

Private Enterprise GAAP

For the 2010 UFE, candidates are expected to apply the new Private Enterprise GAAP at a Level C and will have the option of applying the current Handbook standards or the new standards for private enterprises. Because the standards were released in December 2009, candidates will be informed of any revisions to the expectation level as part of the Competency Map Committee's March 31, 2010 technical update.

Tutorials on the significant differences between the current Handbook and the new standards will be available on the UFE Prep website (www.UFEPrep.com). The changes are not nearly as onerous as those dealing with IFRSs, and in most cases, are a simplification of current Handbook standards. Evaluation Guides involving private enterprises will be presented in accordance with current Handbook standards and the new standards for Private Enterprises where significant differences arise.

Canadian Auditing Standards (CASs)

For the 2010 UFE, candidates are responsible for all CASs brought into the Handbook-Assurance at a Level A proficiency. Candidates are expected to understand the differences between CASs and existing Canadian standards for audits. As the effective date of implementation is for years ending on or after December 14, 2010, candidates may, but are not required to, apply the CASs on the 2010 UFE or may apply the existing Canadian audit standards.

Tutorials dealing with the significant changes between existing Canadian GAAS standards and the CASs will be available to candidates on the UFE Prep website (www.UFEPrep.com).

Any change to the Competency Map creates apprehension. As with other significant changes we have dealt with in the past, the key is for candidates to understand the change and have a plan to address it. CASB's facilitators will assist candidates to understanding the material and provide them with practice simulations containing these Performance Measurement and Assurance areas. Remember that IFRS is a part of the Performance Measurement and Reporting competency - it is not the entire UFE! Candidates cannot ignore the other specific competencies and the importance of fine-tuning their overall approach to both the comprehensive and non-comprehensive simulations.

Mandatory Use of Laptops

Consistent with the 2009 Uniform Evaluation, all UFE candidates will be required to use a laptop computer to complete the Uniform Evaluation. Candidates will be required to submit responses electronically and use their laptops to access approved reference materials including the CICA Handbooks and the Income Tax Act. **Paper copies of reference material are no longer available and are not permitted in the Uniform Evaluation.**

Consistent with the UFE, candidates must use a laptop in Module 6. All responses to practice simulations and the Qualification UFE Simulation must be submitted in electronic form.

Candidates with disabilities that preclude computer use will be able to apply for accommodations.

Critical Dates for Module 6

Module 6 Enrolment Deadline: *March 15, 2010.*

The Module 6 Application Form will be posted on CASB's website (www.casb.com) on February 1, 2010.

We intend to conduct FFISs in the following locations:

- **B.C.:** Burnaby BCIT Campus, Kelowna, Langley, Vancouver UBC and Victoria
- **Alberta:** Calgary, Edmonton, Lethbridge and Red Deer
- **Saskatchewan:** Regina and Saskatoon
- **Manitoba:** Winnipeg

Sessions in the above noted locations are dependent on sufficient enrolments and room availability. If any location has insufficient participants, candidates may be transferred to alternate locations.

We intend to offer writing centres for both the Simulated UFE and UFE in the following locations:

- **B.C.:** Abbotsford, Burnaby, Kamloops, Kelowna, Nanaimo, Prince George, Vancouver and Victoria
- **Alberta:** Calgary, Edmonton, Grande Prairie, Lethbridge, Medicine Hat and Red Deer
- **Saskatchewan:** Regina and Saskatoon
- **Manitoba:** Brandon and Winnipeg
- **NWT:** Yellowknife

UFE Enrolment Deadline: *June 7, 2010.*

The UFE Application Form will be posted on CASB's website (www.casb.com) on April 19, 2010.

Calendar of Simulations to be Used in the July FFIS Sessions

CASB recognizes and appreciates the commitment and support demonstrated by CA Training Offices in planning and delivering in-house programs to assist candidates as they prepare to successfully challenge the 2010 UFE.

In order to minimize duplication of effort, CASB is again publishing a listing of the simulations it intends to use in the Module 6 FFIS sessions in July. Appendix B contains a July/August 2010 calendar of the FFISs.

Newly prepared simulations will be used whenever candidates submit work for evaluation - Simulations of the Day (July 20 & July 27), Practice Simulations (July 23 & July 30) and the Qualification UFE Simulations (August 3, 4 & 5). In addition, newly prepared questions covering IFRSs, Private Enterprises and CASs will be used on July 22. These simulations are highlighted in Appendix B.

Consistent with prior years, no UFE simulations from 2008 or 2009 will be used by CASB in Module 6. These have been left for candidates to use in their own study plans.

In March, each candidate potentially eligible to write the UFE in 2010 will receive a comprehensive memo outlining the format, content, and resource material available for the 2010 offering of Module 6.

Ensuring CASB candidates are prepared to successfully challenge the 2010 UFE is a primary goal of both CASB and CA Training Offices. We welcome your firm's participation in preparing candidates for this integral part of their career.

If you have any questions or concerns regarding CASB or the UFE Prep website (www.UFEPrep.com), please contact Susan Deleau CA, Director of Learning via email at deleau@casb.com.

Appendix A
Categorization of IFRS Material for 2010 UFE

IFRS:	2010 UFE Competency Map:
1. Standards with few differences from Current Handbook Recommendations (Level A)	Conceptual Framework IFRS 3 Business Combinations IFRS 8 Operating Segments IAS 2 Inventories IAS 7 Statement of Cash Flows IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors IAS 10 Events after the Reporting Period IAS 23 Borrowing Costs IAS 38 Intangible Assets (Revaluation model Level C) SIC 32 Intangible Assets – Web Site Costs
2. Standards with some differences (Level A)	IAS 11 Construction Contracts IAS 17 Leases IFRIC 4 Determining Whether an Arrangement contains a Lease SIC 15 Operating Leases – Incentives SIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease IAS 18 Revenue SIC 31 Revenue – Barter Transactions Involving Advertising Services IAS 20 Accounting for Government Grants and Disclosure of Government Assistance SIC 10 Government Assistance – No Specific Relation to Operating Activities IAS 34 Interim Financial Reporting
3. Standards with significant differences (Level A)	IFRS 2 Share-based Payment (measurement Level C) IAS 1 Presentation of Financial Statements IAS 16 PP&E (revaluation Level C) IAS 21 The Effects of Changes in FX Rates IAS 28 Investments in Associates IAS 36 Impairment of Assets IFRIC 10 Interim Financial Reporting and Impairment IAS 40 Investment Property IAS 41 Agriculture

**Appendix B
FFIS Calendar**

July/August – Module 6

<i>Sunday</i>	<i>Monday</i>	<i>Tuesday</i>	<i>Wednesday</i>	<i>Thursday</i>	<i>Friday</i>	<i>Saturday</i>
18	19	20	21	22	23	24
<p>NOTE: All morning sessions, including Friday practice simulations, begin at 8:30am</p> <p>Afternoon sessions begin at 1:00pm</p>	<p>Competency Map & expected Levels of Proficiency</p> <p>Intro to Multi-Subject Simulations</p> <p>06.III.2 – Reality TV</p> <p>07.III.1 – Avalanche Construction</p>	<p>Simulation of the Day #1</p> <p>06.II.1 - Security Plus</p> <p>Outlining a Comp - Baker Foods</p>	<p>2007 UFE Comp - Lock, Stock & Barrel Limited</p>	<p>Newly prepared Simulations dealing with IFRSs, Private Enterprise GAAP and CAsS</p>	<p>Practice Simulation #1</p> <p>(Single Comprehensive Simulation) (5 hrs)</p> <p>Debrief of Practice Simulation #1 commences at 2:30pm</p>	
25	26	27	28	29	30	31
	<p>Review time for Practice Simulation #1</p> <p>04.II.3 - Dunstan Electric</p> <p>06.II.2 - Basset University</p>	<p>Simulation of the Day #2</p> <p>05.III.3 - Cool Look</p> <p>95.III.3 - Jaffar</p>	<p>2005 UFE Comp - Qski</p>	<p>05.III.3 - Big City Gymnastics</p> <p>05. II.2 - Ginny’s Professional Print Shop</p>	<p>Practice Simulation #2</p> <p>(Multiple Simulations) (4 hrs)</p> <p>Debrief of Practice Simulation #2 commences at 1:30pm</p>	
1	2	3	4	5	6	7
		<p>Day 1 Qualification UFE Simulation (Single Comprehensive Simulation) (5 hrs)</p> <p>(Simulation commences at 9:00am)</p>	<p>Day 2 Qualification UFE Simulation (Multiple Simulations) (4 hrs)</p> <p>(Simulation commences at 9:00am)</p>	<p>Day 3 Qualification UFE Simulation (Multiple Simulations) (4 hrs)</p> <p>(Simulation commences at 9:00am)</p>		

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