

GUIDING QUESTIONS

The purpose of this document is to help guide you through documenting your technical competency responses. Please click on the competency area that you feel applies to your role. Use the guiding questions to help you format your response and meet the requirements as set in our [Practical Experience Requirements](#). Please note that if you're reading through the questions and they do not seem to apply to your role – it should be an indicator for you to not fill out that competency area.

This PDF is interactive so please click on the area of focus and it will take you to the area you're interested in. Good luck with your reporting!

OVERVIEW OF TECHNICAL COMPETENCIES

FINANCIAL REPORTING

Do you assess the financial reporting needs of external facing financial statement stakeholders? Additionally, do you adjust your approach/process to ensure that those needs are met? Do you evaluate accounting policies or prepare accounting transactions? Do you research within the financial reporting Handbook to prepare accounting entries? Do you prepare or review parts of or full sets of financial statements and note disclosures for external stakeholders? Do you evaluate year-over-year actual changes as part of a financial statement analysis?

- Financial reporting needs and systems
- Accounting policies and transactions
- Financial report preparation
- Financial statement analysis

MANAGEMENT ACCOUNTING

Do you prepare internal reporting for the purpose of management decision making? Are you involved in planning, budgeting or forecasting? Do you analyze cost, revenue or profitability for your organization? Do you analyze the key performance indicators of your organization's business units?

- Management reporting needs and systems
- Planning, budgeting and forecasting
- Cost, revenue, profitability management
- Organizational/Individual performance management

AUDIT AND ASSURANCE

Do you perform internal audit or external assurance engagements? Do you assess the control environment and the impact to the information systems and related internal control processes? Do you perform audit planning and/or testing procedures?

- Internal control
- Internal audit or external assurance requirements, basis and risk assessment
- Internal audit projects or external assurance engagements

TAXATION

Are you involved with tax research, tax planning, or preparing tax returns either for your organization or for a client?

- Income tax legislation and research
- Income tax compliance: corporate or personal
- Tax planning: corporate or personal

FINANCE

Do you assess any risks and ratios that could impact the overall health of the organization? Or evaluate or review financial risk management policies and/or recovery plan(s)? Do you assess the financial viability of business proposals? Do you analyze financial models and evaluate the feasibility of capital projects? Do you analyze cash flows and make recommendations?

- Financial analysis and planning
- Treasury management
- Capital budgeting, valuation, corporate finance

STRATEGY AND GOVERNANCE

Does your role include analyzing and assessing the entity's risk management process and/or strategies? Do you provide recommendations to the strategic plan, considering internal/external factors? Do you prepare information to ensure your organization remains compliant with regulatory requirements?

- Governance, mission, vision, values and mandate
- Strategy development and implementation
- Enterprise risk management

FINANCIAL REPORTING

Do you assess the financial reporting needs of external facing financial statement stakeholders? Additionally, do you adjust your approach/process to ensure that those needs are met? Do you evaluate accounting policies or prepare accounting transactions? Do you research within the financial reporting Handbook to prepare accounting entries? Do you prepare or review parts of or full sets of financial statements and note disclosures for external stakeholders? Do you evaluate year-over-year actual changes as part of a financial statement analysis?

COMPETENCY	GUIDING QUESTIONS
Financial reporting needs and systems	<p>How do you assess the financial reporting needs of all financial reporting stakeholders? What are the reporting requirements? Who are the external stakeholders of the financial statements? Plus discuss one of the following:</p> <ul style="list-style-type: none"> • How have you identified the appropriateness of the basis of the financial reporting standard (ex.: ASPE, IFRS, US GAAP)? • How have you used the financial reporting systems or reports to ensure the financial statements are accurate and reliable? <p>To be eligible for a Level 2 here, you must include alternatives you considered and how you concluded/recommended to management. Your examples must demonstrate complexity in both your analysis and your conclusion.</p> <p>If you are in public accounting, we would typically expect that Notice to Readers would allow you to achieve Level 1 and at least 425 assurance hours would bump you to Level 2, assuming there is sufficient complexity and diversity in the client industries.</p>
Accounting policies and transactions	<p>Please document how you have prepared or reviewed accounting policies or transactions. Please ensure you indicate how frequently you perform this type of work, and provide examples that demonstrate how you are researching, preparing and/or reviewing accounting policies, procedures or transactions.</p> <p>To be eligible for a Level 2 here, you must include 3-5 examples of accounting policies and transactions you worked on that involve reviewing the accounting handbook, preparing an analysis and using professional judgement to prepare or conclude on the transaction. Ensure to indicate the resources you used, the financial reporting framework (ex:the Accounting Handbook section reference) and discuss why the transactions were complex.</p> <p>If you are in public accounting, we would typically expect that Notice to Readers would allow you to achieve Level 1 and at least 425 assurance hours would bump you to Level 2, assuming there is sufficient complexity and diversity in the client industries.</p>

Financial report preparation

Please document your role in preparing/reviewing the external facing financial statements (Income Statement, Balance Sheet, Cashflow Statement, etc.). What is the purpose of these financial statements (How frequently have you worked on them? What sections do you work on? Do you prepare/review the full set of statements? Do you work on the note disclosures? Are the financial statements subsequently audited or reviewed? Who are the users of the external facing financial statements? What makes your financial statement preparation/review process complex?

For a Level 2, students at small/mid-sized organizations must have exposure to preparing full sets of statements including note disclosures and those at larger organizations must have exposure to preparing sections of the financial statements with accompanying notes. Students must have enough exposure to the preparation of statements that offer diversity and complexity for a Level 2.

If you are in public accounting, we would typically expect that Notice to Readers would allow you to achieve Level 1 and at least 425 assurance hours would bump you to Level 2, assuming there is sufficient complexity and diversity in the client industries.

Financial statement analysis

Please document how you have reviewed period-to-period actual results and drew conclusions based on the interdependencies and analysis (ex: variances, ratios, trends). Who are the users of your analysis and how do you present/communicate your analysis to them? Please indicate the frequency of your analysis and whether you have prepared this analysis for the full set of financial statements or sections of it? If sections, please specify which sections.

To be eligible for a Level 2, you must demonstrate how your analysis was complex and, for areas you deemed unusual, how you analyzed it and drew a conclusion or provided a recommendation or assessed the impact to the organization and presented to management? This must have also been completed for multiple accounting cycles. Complexity can mean you would consider multiple interrelationships between financial statement line items, more than one form of analysis (i.e. variance + ratio analysis), etc.

If you are in public accounting, we would typically expect that Notice to Readers would allow you to achieve Level 1 and at least 425 assurance hours would bump you to Level 2, assuming there is sufficient complexity and diversity in the client industries.

MANAGEMENT ACCOUNTING

Do you prepare internal reporting for the purpose of management decision making? Are you involved in planning, budgeting or forecasting? Do you analyze cost, revenue or profitability for your organization? Do you analyze the key performance indicators of your organization's business units?

COMPETENCY	GUIDING QUESTIONS
<p>Management reporting needs and systems</p>	<p>Please document who your internal reporting stakeholders are? How are your internal reports and/or system changes/implementations used in your organization to help management make decisions? What recommendations or changes have you made to enhance these reports or reporting systems? How do you ensure data integrity and confidentiality? What improvements have you made to the existing management reports?</p> <p>For a Level 2 you must demonstrate how your analysis was complex, and how you were working on meeting the needs of the internal users of these reports. How did you understand their reporting needs and how did you recommend any improvements or create reports to help facilitate these internal decisions? How often have you worked on such tasks? You must be able to demonstrate how you created new management reporting packages or how you were involved in a management system improvement.</p>
<p>Planning, budgeting and forecasting</p>	<p>Please document your involvement in the preparation of operational/ financial budgets, plans or forecasts. Please describe what type of analysis you prepared on assessing the inputs for the budget, plan or forecast. Identify your sources of information, the assumptions you made, and your approach for assessing the reasonability of the budget inputs.</p> <p>Next, discuss your specific role in the preparation of the plans, budgets or forecasts. Are you responsible for the entire budget or specific sections? Is the exercise performed for the full organization or an operating unit?</p> <p>For a Level 2, you must have experience preparing several cycles of budgets, plans or forecasts. On top of this, you must discuss your role in any variance analysis including examples of variances you identified as unusual and any recommendations made to management as a result. Please include several examples so that the reviewer can assess whether the work performed meets the complexity requirements for a Level 2.</p>

Cost, revenue, profitability management

For this sub-competency, you need to demonstrate proficiency in one of the three requirements (cost OR revenue OR profitability management), rather than all three. Please indicate which of the three areas you are targeting (you may target more than one). Consider the following items:

Cost management: Using examples, discuss what cost management techniques you are applying along with any decisions that your work supports (ex: fixed/variable, direct/indirect, standard costing, activity-based costing, job costing, etc.). Ensure you describe the steps that you take in performing this analysis, along with the frequency that you complete this work. Discuss any analysis of potential changes you make to cost management techniques or process improvements, including recommendations/conclusions made (ex: pricing decisions, purchasing decisions, maximizing production, reducing overhead). Describe the impact of your recommendations to the business.

Revenue management: Discuss the tasks analysis (ex: product mix, sales by product line, sensitivity analysis) you perform to analyze revenue sources/drivers and any recommendations/conclusions made. Ensure to indicate who your stakeholders are and the frequency with which you perform this task. Please also describe the outcome of this analysis and the impact it had on the business.

Profitability management: Using examples, discuss any sensitivity analyses you perform, including recommendations made. Next, discuss the tasks you perform to analyze alternatives for profit maximization or capacity management performance, including recommendations/conclusions, using examples (e.g. break-even analysis, contribution margin analysis, etc.). Describe the impact your recommendations made to the business.

For a Level 2 in any of the three areas indicated above, you must provide enough examples and context that demonstrates how complex your analysis was, and how you drew a conclusion or provided a recommendation.

Organizational/Individual performance management

Please document which key performance indicators (KPIs) you are analyzing. Describe the performance issue and how you are analyzing root causes, including two or three examples.

As part of your analysis, how have you then determined whether the organization or individual is performing to plan? Was this work part of assessing management incentive schemes, accepted frameworks or responsibility centers? How do you also determine whether the KPIs are appropriate? Based on your findings and analysis, how have you then come to a conclusion and/or advised management on any changes to operations or changes to measuring the KPIs?

For a Level 2 here you must demonstrate enough examples to illustrate that the analysis and recommendations prepared were complex.

AUDIT AND ASSURANCE

Do you perform internal audit or external assurance engagements? Do you assess the control environment and the impact to the information systems and related internal control processes? Do you perform audit planning and/or testing procedures?

COMPETENCY	GUIDING QUESTIONS
Internal control	<p>Please provide concrete examples of how you assessed the internal control environment. What were the implications you noted? What were your recommendations? Who did you prepare this analysis for? Was this asked of you as part of your normal course of business duties? How did you work through assessing either the risk assessment process(es) or information system process(es)?</p> <p>For a Level 2, ensure to clearly describe the analysis performed, any alternatives considered, any conclusions reached, and for whom this was prepared.</p> <p>If you are in public accounting, more than 425 chargeable hours in assurance with sufficient complexity and diversity in the client industries are required in this competency for a Level 2.</p>
Internal audit or external assurance requirements, basis and risk assessment	<p>This sub competency area has 3 sections you need to address in order to get proficiency at any level. Please document examples of situations in which you have analyzed the assurance needs or the implications of changes in assurance standards. How did you prepare the analysis and performed a risk assessment? Ensure you describe how you identified high risk areas and discuss any additional considerations that you added to your plan to address these risks.</p> <p>For a Level 2, you must have had sufficient exposure to complex internal audit or assurance engagements.</p> <p>If you are in public accounting, more than 425 chargeable hours in assurance with sufficient complexity and diversity in the client industries are required in this competency for a Level 2.</p>
Internal audit projects or external assurance engagements	<p>Please provide concrete examples of internal audit or external assurance engagement testing plans you followed. What type of auditing did you complete (Substantive/Combined/Internal)? What areas did you test? To achieve a Level 2, please document ways you used your professional judgement when testing and identifying a testing approach for higher complexity items.</p> <p>For a Level 2, you must also describe how you evaluate and conclude on the results of your testing (ex.: impact, issues found, additional testing required), plus communicate these results to your stakeholders (ex: drafting sections of the audit committee report or memos to management).</p> <p>If you are in public accounting, more than 425 chargeable hours in assurance with sufficient complexity and diversity in the client industries are required in this competency for a Level 2.</p>

TAXATION

Are you involved with tax research, tax planning, or preparing tax returns either for your organization or for a client?

COMPETENCY	GUIDING QUESTIONS
Income tax legislation and research	<p>Please provide clear and concise examples of tax issues you have researched. What sections of the Income Tax Act or other relevant tax rules did you research? What was the outcome?</p> <p>For a Level 2, please ensure you have documented the frequency of such research, as well as several examples that demonstrate the complexities involved in your research as well as recommendations you made based on your research.</p> <p>If you are in public accounting, more than 500 chargeable hours in tax research are required in this competency for a Level 2.</p>
Income tax compliance: corporate or personal	<p>How frequently are you preparing tax returns? What areas of the tax return have you prepared? Did you work on supporting schedules? Please explain some of the tax issues you encountered, and how these items are treated in the tax return. Please provide details on the work performed for an example of a complex return you completed. If the return was a corporate return, was it for a company whose financial statements were subsequently audited/reviewed?</p> <p>If you are in public accounting, more than 500 chargeable hours in tax compliance are required for a Level 2.</p>
Tax planning: corporate or personal	<p>Please provide clear and concise examples of times you worked on assessing tax planning opportunities for your company/your clients. Did you prepare a memo? Did you perform the analysis? Did you provide an estimate on the tax savings and your recommendation? How frequently are you working on tasks like this? Ensure you describe, with examples, tax planning for corporate and/or personal income taxes you have performed.</p> <p>To be eligible for a Level 2 here, you must include several examples that demonstrate complexity, and any subsequent recommendations made.</p> <p>If you are in public accounting, more than 500 chargeable hours in tax planning are required for a Level 2.</p>

FINANCE

Do you assess any risks and ratios that could impact the overall health of the organization? Or evaluate or review financial risk management policies and/or recovery plan(s)? Do you assess the financial viability of business proposals? Do you analyze financial models and evaluate the feasibility of capital projects? Do you analyze cash flows and make recommendations?

COMPETENCY	GUIDING QUESTIONS
Financial analysis and planning	<p>There are two areas in which you can obtain proficiency in this sub-competency area:</p> <p>1) Assessing the financial health of the organization: Please document the tasks you performed to analyze the financial health (ex: liquidity, solvency, profitability and operating efficiency) of the organization using examples, including any recommendation made and to whom those recommendations were made. If you were preparing a ratio analysis, did you benchmark to industry standards? How did you draw a conclusion on the entity's financial state?</p> <p>2) Evaluating financial proposals and financing plans: Or, please document any analysis you performed on financial proposals and financing plans, including any recommendations made and to whom those recommendations were made. Include the frequency of this analysis or how many proposals you have analyzed. You must include any examples of underlying assumptions, any alternative actions or identify any risks/opportunities which may affect the overall financing options, including any recommendations made.</p> <p>For a Level 2 in this area, you must demonstrate how the work and analysis was complex and how you drew a conclusion to provide meaningful recommendations.</p>

Treasury management

There are three requirements to achieve proficiency in Level 1: working capital management, cash flow management and one additional from the list.

1) Please document clearly your role in the calculation/analysis of the entity's working capital and cash flow. How often do you complete this task? This sub-competency is related to managing the cash flow of an organization. It is more than assessing the cash flow/cash Levels at the organization. You must also document how you make recommendations about what to do with any excess cash or cash shortfall. For example, are you recommending on how to invest excess cash, engage in profit distribution, update the capital structure of the organization, or financing? Who are you making recommendations to?

For a Level 2, you must demonstrate how you are heavily involved in this task, that your recommendation and analysis involve complexity and you have completed multiple instances of this task over a period.

2) Next, describe how you meet one of the additional four items, using examples and including any recommendations made.

Investment portfolio: Discuss the work you have done to evaluate and assess the entity's assets and securities and identify/mitigate any associated risks and/or opportunities.

Financing availability and/or decisions affecting capital structure: Discuss what tasks you have performed to assess financing needs based on the strategic and operational business plans. Describe what alternatives you identified and how you evaluated the consequences, benefits and operational impacts to the overall state of the business.

Cost of capital: Ensure you describe what work you have done to evaluate changes within the market and/or operations and how you have assessed the risk factors that would have an impact on capital structure.

Profit distribution: Describe your process for evaluating risks and opportunities, and how you identified the appropriate method of allocating the entity's profits.

Capital budgeting, valuation,
corporate finance

Please document how you are involved with evaluating and reviewing the entity's capital budgeting processes and decisions. Do you identify the values of a tangible or intangible asset or strategies, risks and impacts on decision-making on a purchase, expansion or sale of the entity? Do you identify financial difficulty and provide recommendations of the long-term health of the entity? Please describe your role in the analysis of financial models as they relate to capital budgeting, valuation or related decisions. If you are performing valuation work, indicate the methods you use (e.g. DCF, ABV, multiples, etc.). Next, describe how you meet one of the additional seven items, ensuring to indicate which item you are targeting, and providing any recommendations that you made.

For a Level 2, include how often you are conducting this analysis and to whom you are making recommendations.

- **Capital budgeting process and decision:** Discuss what you have done to evaluate and review the feasibility of capital projects and make recommendations for action based on the financial model.
- **Valuation of a tangible/intangible asset:** Describe what methods you have used to determine, explain and identify the value of a tangible and/or intangible asset, and identify the pros and cons of any alternatives. Ensure you explain what work you did to determine the value of the asset(s) through analysis.
- **Valuation of the business:** Describe what methods you have used to determine, explain and identify the value of a business, and identify the pros and cons of any alternatives. Ensure you explain what work you did to determine the value of the business through analysis.
- **Financial risk management:** Describe how you developed/reviewed policies that would help monitor and manage financial risks. Ensure to explain how you evaluated changes in the economy and the business model in order to assess any impacts that indicated the need for changes in any policies and how you came to a recommendation.
- **Evaluating and analyzing the use of derivatives as a form of financial risk management:** Describe what tasks you have done to evaluate and analyze the use of derivatives as a form of financial risk management. Ensure to explain how you evaluated changes in the economy and the business model in order to assess any impacts that indicated the need for changes in any policies and how you came to a recommendation.
- **Purchasing, expansion, or sale of a business:** Describe how you have evaluated risks, opportunities and financial implications of a specific purchase, expansion or sale. Ensure you explain how you analyzed and assessed the alternatives in order to recommend an appropriate course of action.

Capital budgeting, valuation,
corporate finance (continued)

- **Aid a financially troubled entity:** Describe the work you have done to develop or provide input on a business recovery plan and identify financial difficulty through analysis. Ensure you explain how you analyzed and assessed the alternatives in order to recommend an appropriate course of action.
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STRATEGY AND GOVERNANCE

Does your role include analyzing and assessing the entity's risk management process and/or strategies? Do you provide recommendations to the strategic plan, considering internal/external factors? Do you prepare information to ensure your organization remains compliant with regulatory requirements?

COMPETENCY	GUIDING QUESTIONS
Governance, mission, vision, values and mandate	<p>Please describe how you are responsible for analyzing the entity's governance policies/processes/code along with the analysis you perform to ensure that the entity remains compliant with regulatory/compliance requirements. Alternatively, you can describe how you are responsible for analyzing how management's decisions align with the entity's mission, vision and values. For both alternatives, you must describe how you perform these functions as part of your regular job duties. Include how often you perform this task and for whom you are preparing this. Please include who your stakeholders are for these scenarios. If you are working with policy, what are the policies mandating? Who are the regulators involved, if any?</p> <p>For a Level 2 here, you must discuss how you have analyzed the effectiveness of the way the organization can ensure compliance to the policies/processes/code and examples of how you provided recommendations or drew conclusions.</p>
Strategy development/implementation	<p>Please provide examples of tasks and analyses you have performed that impacts the overall organizational strategy. For example, strategic objectives and related performance measures, internal and external factors and the impacts on strategy development, market analysis, economic, cultural, and demographic, key success factors driving forces of competition.</p> <p>For these examples, please identify who your internal stakeholders are and what your level of involvement was in terms of developing the strategy and include recommendations made. How did your analysis impact the overall organizational strategy?</p> <p>For a Level 2, your examples must be complex and involved. You must demonstrate how you drew conclusions or made recommendations to management.</p>

Enterprise risk management

Please describe how you research/analyze/review components of a risk management program including the impact on stakeholder value.

What are the enterprise risks (ex: regulatory/compliance, financial, operational, strategic) at your organization and what processes have you put in place to monitor or mitigate these risks? How have you analyzed the controls around these risks? Please provide specific examples of the analysis performed and strategies you recommended.

For a Level 2, your examples must demonstrate how you were able to draw a recommendation/decision and your reflection on how this made an impact on shareholder value.
