

## **Case Study – 100 Marks**

### **Overview**

The objective of the Case Study is to assess understanding of the relevance of different technical areas and the recognition of ethical issues within complex business issues and the ability to analyse financial and non-financial data. The limited class time available with a tutor, even when supplemented by extensive home study, is insufficient for success in the Case Study. Students must bring work experience into their preparation and development programme.

Success at the Case Study requires use of the technical knowledge and skills acquired from all of the CA modules, namely:

- the core technical knowledge and skills and practical application acquired at the Certificate and Professional Levels;
- the technical, analytical, and evaluative skills from the Advanced Level technical modules; and
- the advisory, judgemental and communication skills acquired through practical work experience undertaken during training.

All areas of the syllabus may be tested over time.

### **Professional skills required for the case study**

#### **Cognitive, analytical and evaluative skills**

1. Identification of business, technical and ethical issues
2. Application of technical knowledge to identified issues
3. Understanding of scenario and wider business issues
4. Understanding of the relevance of data and information
5. Selection of appropriate analytical tools
6. Analysis of requirements, situation and data
7. Conclusions based on evidence, implications, assumptions and information generated

#### **Communication and articulation skills**

1. Structure in presentation of data and written work
2. Integration and positioning of data within and alongside written work
3. Tact in presentation
4. Objectivity in presentation
5. Format and language

#### **Case study scenarios**

The Case Study will be designed to resemble a typical situation in which chartered accountants find themselves. The Case Study scenario may be based on any one of a variety of different organisational structures or operations and will be presented in individual, group and international contexts. Examples of possible scenarios are listed below in order to provide an understanding of the likely context in which technical knowledge and ethical awareness will be assessed.

### **Scenarios relating to things that have happened or are happening within a business:**

1. Business and ethical issues including situations of business risk in the process of stakeholder communication
2. Business and ethical issues in the process of tax compliance work including situations with corporate reporting implications
3. Current taxation and corporate reporting issues for businesses
4. Undertaking controls and systems process assurance projects – including review and testing of controls and reporting to management
5. Assessment of controls including IT and E-commerce controls
6. Breaches of laws and regulations that may require forensic accounting and investigation projects to assess risk and provide management with information to decide upon appropriate actions
7. Issues of earnings management, creative accounting and aggressive earnings management
8. Businesses undertaking major projects and/or organisational or process transformation
9. Issues arising from raising finance, including issues of compilation of financial information, production of prospective financial information and implications for corporate reporting
10. Issues arising from corporate transformations and group reorganisations
11. Issues arising from international corporate expansion including situations with taxation and corporate reporting implications
12. Issues arising from use of complex financial instruments in business finance and risk management.

### **Scenarios relating to future business strategies and developments:**

1. Controls and systems process planning
2. Developing management and corporate governance mechanisms
3. Business risk management
4. Developing business and information strategies including E-commerce and E-business
5. Transfer pricing decisions
6. Business start-up planning
7. Business and asset valuations upon acquisitions and disposals for business and tax purposes
8. Due diligence investigations of information provided to investors
9. Raising finance
  - Initial public offers
  - Private equity arrangements
10. Developing performance management approaches
11. Developing remuneration and reward packages
12. Structuring of entities
  - Incorporation
  - Group re-organisation
  - Outsourcing
  - Joint ventures and alliances
  - Acquisitions and mergers

- Demergers
- Franchising
- Divestment
- Management buy-out
- Management buy-in

13. Business recovery

14. Insolvency and bankruptcy

15. Developing international operations

16. Structuring of business finance

## **TECHNICAL KNOWLEDGE GRIDS**

The tables contained in this section show the technical knowledge in the disciplines of financial reporting, audit and assurance, business analysis, ethics and taxation covered in the ACA syllabus by module.

For each individual standard the level of knowledge required in the relevant Certificate and Professional Level module and at the Advanced Level is shown.

The knowledge levels are defined as follows:

### **Level D**

An awareness of the scope of the standard.

### **Level C**

A general knowledge with a basic understanding of the subject matter and training in its application thereof sufficient to identify significant issues and evaluate their potential implications or impact.

### **Level B**

A working knowledge with a broad understanding of the subject matter and a level of experience in the application thereof sufficient to apply the subject matter in straightforward circumstances.

### **Level A**

A thorough knowledge with a solid understanding of the subject matter and experience in the application thereof sufficient to exercise reasonable professional judgement in the application of the subject matter in those circumstances generally encountered by chartered accountants.

### **Key to other symbols:**

→ the Certificate level reached is assumed to be continued

## ASSURANCE AND AUDIT TECHNICAL GRID

Topic	Assurance	Audit and Assurance	Advanced Level
The International Auditing and Assurance Standards Board		D	C
The Authority Attaching to Standards Issued by the International Auditing and Assurance Standards Board		C	A
The Authority Attaching to Practice Statements Issued by the International Auditing and Assurance Standards Board			A
Discussion Papers			C
Working Procedures			C
<b>International Standards on Auditing (ISAs)</b>			
200 (Revised June 2016) Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing	B	A	→
210 (Revised June 2016) Agreeing the Terms of Audit Engagements		B	→
220 (Revised June 2016) Quality Control for an Audit of Financial Statements		B	→
230 (Revised June 2016) Audit Documentation	C	B	A
240 (Revised June 2016) The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements	C	B	A
250 A (Revised June 2016) Consideration of Laws and Regulations in an Audit of Financial Statements		B	A
250 B (Revised June 2016) The Auditor's Statutory Right and Duty to Report to Regulators of Public Interest Entities and Regulators of other Entities in the Financial Sector			C
260 (Revised June 2016) Communication with Those Charged with Governance		B	A
265 Communicating Deficiencies in Internal Control to Those Charged with Governance and Management		B	A
300 (Revised June 2016) Planning an Audit of Financial Statements	B	A	→
315 (Revised June 2016) Identifying and Assessing the Risks of Material Misstatement Through Understanding the Entity and its Environment	C	A	→
320 (Revised June 2016) Materiality in Planning and Performing an Audit	C	A	→
330 (Revised June 2016) The Auditor's Responses to Assessed Risks	C	B	A
402 Audit Considerations Relating to an Entity Using a Service Organisation		C	B
450 (Revised June 2016) Evaluation of Misstatements Identified during the Audit	C	A	
500 Audit Evidence	B	A	→

Topic	Assurance	Audit and Assurance	Advanced Level
501 Audit Evidence - Specific Considerations for Selected Items		B	A
505 External Confirmations	B	B	A
510 (Revised June 2016) Initial Audit Engagements - Opening Balances	C	B	A
520 Analytical Procedures	B	A	A
530 Audit Sampling	B	B	A
540 (Revised June 2016) Auditing Accounting Estimates, Including Fair Value Accounting Estimates and Related Disclosures	C	B	A
550 Related Parties	C	B	A
560 Subsequent Events		B	A
570 (Revised June 2016) Going Concern		A	→
580 Written Representations	C	B	A
600 (Revised June 2016) Special Considerations – Audits of Group Financial Statements (including the Work of Component Auditors)		C	A
610 (Revised June 2013) Using the Work of Internal Auditors	C	B	A
620 (Revised June 2016) Using the Work of an Auditor’s Expert		B	A
700 (Revised June 2016) Forming an opinion and Reporting on Financial Statements	B	A	→
701 (Revised June 2016) Communicating Key Audit Matters in the Independent Auditor’s Report			A
705 (Revised June 2016) Modifications to the Opinion in the Independent Auditor’s Report		A	→
706 (Revised June 2016) Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor’s Report		A	→
710 Comparative Information – Corresponding Figures and Comparative Financial Statements		B	A
720 (Revised June 2016) The Auditor’s Responsibility Relating to Other Information		B	A
800 (Revised October 2016) Special Considerations – Audits of Financial Statements prepared in Accordance with Special Purpose Frameworks			B
805 (Revised October 2016) Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or items of a Financial Statement			A
810 (Revised) Engagements to Report on Summary Financial Statements			A
<b>International Auditing Practice Note (IAPN)</b>			
1000 Special Considerations in Auditing Financial Instruments			B
<b>International Standards on Review Engagements (ISREs)</b>			
2400 (Revised September 2012) Engagements to Review Financial Statements		C	B
2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity	C		B

Topic	Assurance	Audit and Assurance	Advanced Level
<b>International Standards on Assurance Engagements (ISAEs)</b>			
3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information		C	B
3400 The Examination of Prospective Financial Information		C	A
3402 Assurance Reports on Controls at a Service Organisation		C	A
3410 Assurance Engagements on Greenhouse Gas Statements		C	→
<b>International Standards on Related Services (ISRSs)</b>			
4400 Engagements to Perform Agreed-upon Procedures Regarding Financial Information			B
4410 Compilation Engagements (Revised March 2012)			B
<b>Quality Control Statement</b>			
ISQC1 (Revised June 2016) Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements		C	B

#### BUSINESS ANALYSIS TECHNICAL GRID

Topic	Certificate and Professional Levels				Advanced Level
	Management Information	Business and Finance	Financial Management	Business strategy	
<b>STRATEGIC ANALYSIS</b>					
<b>Environmental and market analysis tools</b>					
PESTEL analysis		C		A	→
Porter's five forces		C		A	→
Product life cycle		C		A	→
Boston consulting group matrix		C		A	→
Prices and markets		C		A	→
Competitor analysis		C		A	→
<b>Positional and other analysis tools</b>					
Resource audit		C		A	→

Topic	Certificate and Professional Levels				Advanced Level
	Management Information	Business and Finance	Financial Management	Business strategy	
Resource-based strategy		C		A	→
Value chain analysis		C		A	→
SWOT analysis		C		A	→
Gap analysis		C		A	→
Marketing analysis		C		A	→
Competitive advantage		C		A	→
Benchmarking		C		A	→
Directional policy matrix					B
Business process analysis				B	A
Strategic risk analysis				A	→
Balanced scorecard		C		A	→
<b>STRATEGIC CHOICE</b>					
Strategy formulation, evaluation and choice		C		A	→
Business risk management		C		A	→
Financial analysis and data analysis				A	→
Stakeholder analysis		C		A	→
Objectives and stakeholders' preferences		C		A	→
Corporate responsibility and sustainability		C		B	A
<b>STRATEGIC IMPLEMENTATION</b>					
Business plans		C		A	→
Organisational structure		C		A	→
Information management		C		B	A
Change management				A	→
Project management					A
<b>BUSINESS MANAGEMENT</b>					
Performance management				C	A
Strategic marketing and brand management				B	A
Corporate Governance		C		B	A
Information strategy				B	A
Human resource management				C	A



Topic	Certificate and Professional Levels				Advanced Level
	Management Information	Business and Finance	Financial Management	Business strategy	
<b>COST ANALYSIS FOR DECISION MAKING</b>					
<b>Costing</b>					
Cost classification	A			→	→
Costing systems – direct, marginal, absorption	B			→	→
Activity based costing (ABC)	C			→	B
Break even analysis	B			→	A
Multi-product break even analysis					B
Budgeting and performance management	B			→	A
<b>Pricing</b>					
Pricing decisions	B			A	→
Transfer pricing	B			A	→
<b>Decision making techniques</b>					
Expected values				B	A
Relevant cash flows				B	A
Sensitivity analysis				B	A
<b>BUSINESS AND SHAREHOLDER VALUE</b>					
<b>Valuation Techniques</b>					
Income – dividend yield			B		A
Income P/E			B		A
Income – discounted cash flow			B		A
Asset based measures			B		A
Options approach					B
<b>Shareholder value</b>					
Value Based Management (VBM)					B
Value drivers			B		A
Shareholder Value Analysis (SVA)			B		A
Short and long-term growth rates and terminal values					A
Economic profit					A
Cash flow Return on Investment (CFROI)					A
Total Shareholder Return (TSR)					A
Market Value Added (MVA)					A

Topic	Certificate and Professional Levels				Advanced Level
	Management Information	Business and Finance	Financial Management	Business strategy	
<b>INVESTMENT APPRAISAL AND RISK ANALYSIS</b>					
<b>Project appraisal</b>					
NPV	B		A		→
IRR	B		A		→
Payback	B		A		→
Relevant cash flows			A		→
Tax and inflation			A		→
Replacement Analysis			A		→
Capital rationing			A		→
Adjusted Present Value (APV)			A		→
<b>Assessing risk</b>					
Project appraisal and sensitivity analysis			B		A
Project appraisal and simulation			B		A
Expected values			B		A
Scenario planning					A
Gap analysis				B	→
Continuous vs. event risk				B	→
<b>FINANCIAL ANALYSIS</b>					
<b>Cost of capital</b>					
Cost of equity			B		A
Cost of debt			B		A
Cost of preference shares			B		A
Cost of bank loans			B		A
Weighted Average Cost of Capital (WACC)			B		A
Effective interest rates					A
Splitting convertibles into equity and debt elements					A
Equity instruments					A
<b>Portfolio theory and CAPM</b>					
Portfolio theory			B		A
CAPM			B		A
APT and MCPM					A
CAPM and cost of capital			B		A

Topic	Certificate and Professional Levels				Advanced Level
	Management Information	Business and Finance	Financial Management	Business strategy	
International cost of capital					A
<b>Bonds and fixed interest securities</b>					
Bond pricing using NPV					A
Yields to maturity					A
Duration and price volatility					A
Convexity					A
Term structure of interest rates					A
Corporate borrowing and default risk					A
<b>SOURCES OF FINANCE AND FINANCING ARRANGEMENTS</b>					
Short, medium and long-term sources of finance		B			A
Loan agreement conditions (warranties; covenants; guarantees)			B		A
Raising capital		B			A
Gearing and capital structure			A		→
Loan agreements and covenants			A		→
Dividend policy			A		→
Financing reconstructions (e.g., group reconstruction, spin off, purchase of own shares, use of distributable profits)			B		A
Treasury and working capital management	C				A
Small and medium company financing					B
History of finance					C
<b>FINANCIAL INSTRUMENTS AND FINANCIAL MARKETS/ FINANCIAL RISK MANAGEMENT</b>					
<b>Futures, options and swaps</b>					
Options			B		A
Interest rate futures			B		A
Interest rate options			B		A
Interest Forward Rate Agreements (FRAs)			B		A
Interest rate swaps			B		A
<b>Foreign exchange</b>					
Currency forward contracts			B		A
Currency money market cover			B		A
Currency options			B		A

Topic	Certificate and Professional Levels				Advanced Level
	Management Information	Business and Finance	Financial Management	Business strategy	
Currency swaps			B		A
Operational techniques for managing currency risk			B		A
Theoretical determinants of foreign exchange rates			B		A
<b>Option value</b>					
Value of a call and put option			C		B
Black Scholes option pricing model					B
Binomial Option Pricing Model					B
Real options			C		B

## ETHICS CODES AND STANDARDS TECHNICAL GRID

Ethics Codes and Standards	Level	Modules
	C/D	<b>Certificate Level</b> Accounting
	B	Assurance
	C/D	Business and Finance
	D	Law
	C	Management Information
	C	Taxation 1
		<b>Professional Level</b>
Framework for Preparation and Presentation of Financial Statements	A	Audit and Assurance
	B	Business Strategy
	B	Financial Accounting and Reporting
ICAB Code of Conduct – Schedule C, Part-I		
	B/C	Financial Management
	B	Taxation 2
		<b>Advanced Level</b>
	A	Corporate Reporting
	A	Strategic Business Management
	A	Case Study

## FINANCIAL REPORTING TECHNICAL GRID

Topic	Certificate & Professional Level		Advanced Level
	Accounting	Financial Accounting and Reporting	Corporate Reporting
Preface to Bangladesh Financial Reporting Standards		A	A
Conceptual Framework for Financial Reporting	B	A	A
IAS 1 Presentation of Financial Statements	A	A	A
IAS 2 Inventories	B	A	A
IAS 7 Statement of Cash flows	B	A	A
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	B	A	A
IAS 10 Events after the Reporting Period		A	A
IAS 12 Income Taxes		C	A
IAS 16 Property, Plant and Equipment	B	A	A
IAS 17 Leases		B	A
IAS 19 Employee Benefits		-	A
IAS 20 Accounting for Government Grants and Disclosure of Government Assistance		A	A
IAS 21 The Effects of Changes in Foreign Exchange Rates		C	A
IAS 23 Borrowing Costs		A	A
IAS 24 Related Party Disclosures		B	A
IAS 26 Accounting and Reporting by Retirement Benefit Plans		-	D
IAS 27 Separate Financial Statements		B	A
IAS 28 Investments in Associates and Joint Ventures		B	A
IAS 29 Financial Reporting in Hyperinflationary Economics		-	D
IAS 32 Financial Instruments: Presentation		B	A
IAS 33 Earnings Per Share		C	A
IAS 34 Interim Financial Reporting		-	A
IAS 36 Impairment of Assets		B	A
IAS 37 Provisions, Contingent Liabilities and Contingent Assets	C	A	A
IAS 38 Intangible Assets	C	A	A

Topic	Certificate & Professional Level		Advanced Level
	Accounting	Financial Accounting and Reporting	Corporate Reporting
IAS 39 Financial Instruments: Recognition and Measurement		<b>C</b>	<b>A</b>
IAS 40 Investment Property		-	<b>A</b>
IAS 41 Agriculture		-	<b>D</b>
IFRS 1 First-Time Adoption of IFRS		-	<b>A</b>
IFRS 2 Share-based Payment		-	<b>A</b>
IFRS 3 Business Combinations		<b>B</b>	<b>A</b>
IFRS 4 Insurance Contracts		-	<b>D</b>
IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations		<b>B</b>	<b>A</b>
IFRS 6 Exploration for and Evaluation of Mineral Resources		-	<b>D</b>
IFRS 7 Financial Instruments: Disclosures		<b>C</b>	<b>A</b>
IFRS 8 Operating Segments		-	<b>A</b>
IFRS 9 Financial Instruments		-	<b>C</b>
IFRS 10 Consolidated Financial Statements		<b>B</b>	<b>A</b>
IFRS 11 Joint Arrangements		<b>B</b>	<b>A</b>
IFRS 12 Disclosure of Interests in Other Entities		<b>B</b>	<b>A</b>
IFRS 13 Fair Value Measurement		<b>C</b>	<b>A</b>
IFRS 14 Regulatory deferral accounts		-	<b>C</b>
IFRS 15 Revenue from contracts with customers	<b>C</b>	<b>A</b>	<b>A</b>
IFRS 16 Leases	-	<b>B</b>	<b>B</b>
IFRS for SMEs		-	<b>A</b>

## TAXATION TECHNICAL GRID

Topic	Certificate Level	Professional Level
	Taxation 1	Taxation 2
1 Basic concepts, definitions, principles	B	A
2 Administration of Bangladesh Income Tax	B	A
3 Income Tax preparation process, procedure	B	A
4 Dispute resolution	B	A
5 Tax compliances and VAT rules	C	A
6 Special provisions, recovery, refund	C	A
7 International taxation	-	B
8 ethical consideration	C	A
9 Tax Research	C	B
10 Tax planning, compliances	B	A
11 VAT and other taxes	B	A

## BUSINESS LAW TECHNICAL GRID

Topic	Certificate Level	Professional Level
	Business Law	Corporate Laws & Practices
1. Overview of Companies Act, 1994	B	A
2. The Negotiable Instruments Act, 1881	B	A
3. The Partnership Act, 1932	B	A
4. The Bangladesh Labour Act, 2006 and Bangladesh Labour Rules, 2015	C	B
5. The Companies Act 1994 and Secretarial Practices	-	B
6. Laws relating to the Securities and Exchange Commission	C	A
7. Financial Reporting Act 2015	-	B
8. The Bank Company Act 1991	-	B
9. The Financial Institutions Act 1993	-	B
10. The Insurance Act 2010	-	B
11. Foreign Exchange Regulations, 1947	-	B



## INFORMATION TECHNOLOGY TECHNICAL GRID

Topic	Certificate Level	Professional Level
	Information Technology	IT Governance
1. Information Systems in Business	C	A
2. Introduction to Computers	B	A
3. E- business Systems	C	B
4. Enterprise Business Systems	B	B
5. Electronic Commerce Systems	B	B
6. Decision support systems	C	B
7. Developing business / IT Solutions	C	B
8. IT Governance and Strategy	D	B
9. Information Technology Policies and Laws	D	B
10. Information Systems Security	D	A
11. IT Controls	C	A
12. Information Systems Auditing	-	A