

## Comments on Candidate Performance on March 2018 Assurance Elective

Most candidates addressed or at least attempted to address all of the directed AOs. However, there were a few exceptions where candidates seemed to struggle and appeared to avoid the AO, as the number of candidates who did not address the AO was higher than expected. Specifically:

- Audit procedures to address accounting issues identified in the case.
- Governance and strategy analysis comparing differences between two companies.

This was surprising given the clear requirements in the case to discuss these areas. Candidates are reminded that they should address all the requirements presented to them.

Overall, the candidates performed well on the assurance AOs. Generally, they were able to address audit planning, audit procedures, and control weaknesses in sufficient depth and breadth. However, candidates seemed to struggle with the financial reporting AOs. In particular, their analysis often lacked references to the appropriate Handbook criteria, and candidates tended to jump to the conclusion of the appropriate accounting treatment without first using case facts to support why a particular treatment was appropriate. This was pervasive amongst most financial reporting AOs. Candidates should ensure that for each issue, regardless of how simple or complex it is, they identify the issue, discuss the appropriate Handbook guidance, and then apply the Handbook using case facts, and come to a supported conclusion. In addition, candidates struggled with the more complex accounting issues, often quoting incorrect Handbook criteria or concluding incorrectly. Candidates should focus on improving their technical knowledge of the more complex accounting issues in the CPA Competency Map.

Candidates generally performed well on the non-audit and non-financial reporting issues on this exam and were able to adequately incorporate specific case facts in their analysis to support their conclusion.

### Comments on Skills

**Assess the Situation:** Generally, was well done by most candidates. Most candidates demonstrated the ability to understand issues, zoom in on individual features, and plan the route of their work. However, some candidates seemed to avoid the more difficult requirements.

**Analyze Major Issue(s):** Candidates varied widely in their analysis of the major issues. Some candidates provided a very superficial analysis that would not be useful for the client, while others provided more thorough analysis tied to relevant Handbook sections. Superficial analysis was particularly evident in the more difficult accounting issues. In general, candidates seemed to be able to analyze issues better for the assurance AOs as compared to the financial reporting AOs.

**Conclude and Advise:** Most candidates attempted to conclude and advise on issues in a manner consistent with their analysis.

**Communicate:** Nearly all candidates adequately communicated within their response. Language used was appropriate and clear.

**CPA Mindset:** Most candidates took the correct role and approached the requirements from the appropriate perspective, demonstrating the attitudes and behaviours of a CPA.