Instructional Case—Hypo Corporation, The Financial Accounting Educative Process, A Void!

Charles E. Stahl, III
Madonna University

In Memorial: Greg R. Dunning, deceased
University of Windsor

The purpose of this article, the first in a series of five articles, is to explore the educative process of financial accounting. This first article will review, generally, the current state of financial accounting education in North America (the United States and Canada) and identify a significant ***void*** *in the educative process. Moreover, a hypothetical instructional case will be presented which the author has successfully used over the years to fulfill this void. Hypo Corporation is a hypothetical case initially developed as a formative/summative assessment tool in 1986 for use in an Intermediate Accounting II course. The educational pedagogy in financial accounting too often focuses on the teaching of many discrete topics with little time devoted to the integration of the topics. The primary requirement of the case is to prepare a complete set of financial statements including footnote disclosures thusly integrating many topics. The second article, in this series of five, will present a survey of the literature concerning the use of Problem-Based-Learning/Case Studies Method in accounting with its application to the Hypo Corporation case. The third article is a quasi-experimental study of student perceptions of the Hypo Corporation case. The fourth article is a replication of the study of the third article and the fifth article will present the recommended solution to the case.*

"A richer scholarship then mine is requisite to do the work aright. But until that scholarship is found and enlists itself in the task, there may be a passing interest in an attempt to uncover the nature on the process by one who is himself an active agent, day to day, in keeping the process alive. That must be my apology for these introspective searchings of the spirit." (Cardozo, 1921, p. 13)

INTRODUCTION

As accounting educators, we must be ever mindful that our primary objective is to educate tomorrow's professional accountants who will become experts in the area of financial accounting. For over three decades now, the academic accounting profession has been "admonish[ed]" (Adler and Milne, 1997, p.191) and "the subject of international criticism" (Duff and McKinstry, 2007, p. 183) for its failure to teach the requisite competencies needed for success in the accounting profession. Much has been written about the need for change, world-wide.[1] Albrecht and Sack (2001, p. 18) attributed the need for change to three key factors as follows: (1) changes in "technology", (2) the "globalization" of the world's economy and (3) the "concentration of power among certain market investors." Lin et al. (2005), in keeping with Albrecht and Sack (2000) and Francisco and Kelly (2002), identified two areas for possible change being (1) a "knowledge" base requisite for the profession and (2) the development of needed "skills".[2] Lin et al. (2005 p. 152) also noted that "change should also be made in the pedagogy of accounting programs" highlighting "[i]nnovative teaching methods" such as case analysis and active participation by students. Their survey of practitioners, faculty and students along with the results from surveys by Albrecht and Sack (2000) and Francisco and Kelly (2002) identified 19 areas for the "Knowledge" base with "*financial accounting" uniformly being ranked number 1* (Lin et al., 2005, p. 156, emphasis added). It should be noted that "ethics and social responsibility" was listed as a desired element under "Knowledge" base in the Albrecht and Sack survey. The Lin et al. (2005) survey also contained 18 items identified as possible requisite "Skills". Written communication skills (average ranking of 3.3 of the 18 items) and analytical/critical thinking skills (average ranking of 3.6 of the 18 items) were both ranked relatively high as desired "Skills".[3] The Lin et al. survey identified 7 items as "Pedagogy" with "Analysis of information" ranked number 1 and "Case analysis" being ranked number 3. Taken together, "Skills" and "Pedagogy" have been commonly referred to as "so-called 'soft' skills" (Bolt-Lee and Foster, 2002, p. 35). Despite being "admonish[ed]" and criticized, a better characterization would be that accounting education is being continuously improved.

> "Perhaps a more accurate view is to recognize that it is misguided to view accounting education as either broken or fixed. The reality is closer to a continuous improvement process, whereby professors listen to the demands of a changing world and make corresponding incremental changes in their courses. The broader point is that educators are indeed paying attention to the calls for a model of accounting education that emphasizes thinking over memorization." (Kachelmeier, 2002, p. 37)

Also, the characterization of "Skills" and "Pedagogy" as "soft" skills" should not be construed as diminishing their relevant importance.

Moreover, it appears that the continuous improvement process has yet to subside. The American Accounting Association and the American Institute of CPAs (AICPA) has established the Pathways Commission or the Commission on Accounting Education: "Pathways to a Profession: Charting a National Higher Education Strategy for the Next Generation of Accountants." Established in 2010, the Pathways Commission has been charged to study the future structure and content of accounting education. With their report being issued in August, 2012, the Commission has recommended the "creation of a task force, led by educators and including broad representation across disciplinary areas and practice, to engage the community in defining the foundational body of knowledge for accounting" with a "Collation of Core Competencies Across Accounting Organizations." (The Pathways Commission, 2012, p. 131).

The International Federation of Accountants has identified that the "overall objective of accounting education is to develop competent professional accountants" and has stated:

> "For example, a desired competence for a professional accountant working in a financial accounting role may be the ability to produce a set of company accounts in full accordance with International Financial Reporting Standards (IFRSs) and national legal regulatory requirements." (International Accounting Education Standards Board, 2009, p. 6)

Finally, a review of the literature and the problems/cases contained in the leading Intermediate Accounting textbooks in the U.S. and Canada has not produced a single case with the learning objectives inherent in the Hypo Corporation case. Given the integrative nature of the topics included in the Hypo Corporation case, the author believes that this is a ***void*** in the educational process. The students are required to prepare a complete set of financial statements (company accounts) including footnote disclosures. The purpose of this paper is to present the author's approach towards advancing this primary objective by way of a hypothetical financial case used to supplement a typical intermediate accounting textbook while at the same time fulfilling this ***void.***

The author has organized this paper into four sections. The first section presents a general overview of the financial accounting educative process in North America. The second and third sections present a brief History of the Hypo Corporation case followed by the Learning Objectives of the case. The final sections presents a summary and Exhibit 1- The Case.

THE FINANCIAL ACCOUNTING EDUCATIVE PROCESS

Accounting Education: Generally

The traditional approach to accounting education in the United States of America and Canada has been to have the students complete two courses in Accounting Principles, usually one course in Financial Accounting and one course in Managerial Accounting, followed by a two or three course sequence in Financial (Intermediate) Accounting as shown in Table 1.

TABLE 1
GENERAL OUTLINE OF FINANCIAL ACCOUNTING EDUCATION_U.S.A.

First Semester:	Second Semester:
Freshman Year:	
(Generally no accounting courses- general education courses only)	
Sophomore Year:	
Principles I (Financial Accounting)-3sh.	**Principles II (Managerial Accounting)-3sh.**
Junior Year:	
Intermediate Accounting I-3sh.	**Intermediate Accounting II-3sh.**
	Finance-3sh.
Senior Year:	
Advanced Accounting-3sh.	**Auditing-3sh.**
(consolidations)	

Although this is a generic, traditional sequencing of courses, variations are numerous depending upon the individual university's mission or the student's area of concentration (i.e. a certified public accountant/chartered accountant emphasis, a managerial accounting emphasis, an accounting information systems emphasis, a forensic accounting emphasis or an internal auditing emphasis). The "sh." means semester/credit hours whereby a student will normally complete 15 credit hours per semester with a total of approximately 120 credit hours needed for a baccalaureate degree. Traditionally, the split between general education courses and business courses including accounting has been a 50%-50% split with accounting courses comprising the major area of study. This generally translates into approximately 60 credit hours of general education courses with 30 credit hours of accounting courses and 30 credit hours of business courses such as finance, business law, marketing, economics, management and business policy.[4] Most courses are three (3) semester/credit hours with 3 contact hours/classroom hours per week over a 15 week period per semester. The primary emphasis of the Principles I (Financial Accounting) course is to introduce the Accounting Process coupled with most financial accounting topics (i.e. Cash, Receivables, Inventories, Property, Plant & Equipment, Liabilities, Equity, Investments, Time Value of Money, and Ratios). It is in this course where the students may be required to complete what has become known as a Practice Set requiring the preparation of a set of Basic Financial Statements (Income Statement and Balance Sheet) in order to learn the accounting process with ***no*** attached footnote disclosures. Some examples of such Practice Sets are Wijewardena and Philpott (2004) and Halabi et al. (2004). Traditionally, nowhere else in the accounting educational process are the students required to prepare a complete set of financial statements with the writing of footnote disclosures especially after dissecting some elements of financial accounting such as leases, pensions, investments, the cash flow statement, deferred income taxes, complex hybrid equity transactions, earnings per share and derivatives. The author acknowledges that other Professors may in fact discuss the interrelationships among the numerous financial accounting topics, however, there may be no explicit evidence of such for accreditation purposes. Moreover, the students are usually required to analyze and audit the financial statements but are *not required* to "produce a [complete] set of company accounts" with footnote disclosures. It is the author's opinion that this is a significant ***void*** in the accounting educational process.

Accounting Education: Canada

At the Canadian University where the Hypo Corporation case was utilized for the third paper in this sequence, the split between business courses which includes accounting courses and general education courses is approximately 70%-30%. This is more of a historical factor because of a 13^{th} year of high school for students that intend to attend college. The 13^{th} year of high school in Canada has since been eliminated. Because of this split between general education and business courses, more time is available for accounting courses. A total of 42 semester/credit hours of accounting courses are required towards graduation. Table 2 below shows the financial accounting courses required at the Canadian University where the Hypo Corporation case was utilized. Actual course titles are in parenthesis. All courses are 3 credit/semester hours with 120 credit hours needed for graduation.

TABLE 2
FINANCIAL ACCOUNTING COURSES-CANADA

First Semester:	Second Semester:
Freshman Year:	
	Principles of Accounting I
	(Intro to Fin'l Acct'g)
Sophomore Year:	
Intermediate Accounting I	Intermediate Accounting II
(Intro to Fin'l Acct'g Theory)	(Acct'g Theory I)
Principles of Accounting II	Business Finance I
(Intro to Manag'l Acct'g)	
Junior Year:	
Intermediate Accounting III	Advanced Accounting
(Acct'g Theory II)	(Adv'd Acct'g Theory I)
Business Finance II	Auditing I
Senior Year:	
Accounting Theory	
(Adv'd Acct'g Theory II)	
Auditing II	

Certification/Licensure

Finally, it must be noted that in the State of Michigan, United States of America all students must pass a uniform examination, complete an additional 30 semester/credit hours of education after being matriculated at the Bachelor's degree level, usually a Bachelors of Business Administration degree with a major in Accounting, *and* complete one year of work experience before they can become licensed as a Certified Public Accountant. Licensure is at the State level. At present, there is little guidance from State Boards of Accountancy as to what the additional 30 semester hours of education should entail.

In Canada, after graduation a student will take a Core Knowledge Exam (CKE) which is comprised of 100 multiple choice questions. A 60% is needed to pass. Then the student will be enrolled in what is called the School of Accountancy which is a 2 to 3 week summer school course covering materials needed to pass the Uniform Final Exam (UFE). The UFE exam is a Case Studies exam. To become licensed as a Chartered Accountant, one must pass the UFE and have a total of three (3) years work experience. Licensure is at the Provincial (Province) level.

HISTORY OF THE HYPO CASE

The Hypo Corporation case was created in 1986 by the author upon his return to academia after many years in practice. It was developed as a formative/summative assessment tool to be utilized in an Intermediate Accounting II course at a university in the United States of America. The Hypo Corporation case was originally utilized as a take-home final exam/case with a weighting of 33% towards the student's final grade. The students were allotted two weeks to complete the exam/case. Subsequently, the case was updated for changes in standards by a sessional instructor and adopted for use at a Canadian University as a formative/summative course project/case in an Intermediate Accounting II course. The changes were basically in the Investments and Deferred Tax Asset areas with a change of a straight debt instrument to a convertible debt instrument for the intended purpose of testing earning per share of its anti-dilutive effect. With the overall basic objective of the case being to prepare a complete set of financial statements including footnote disclosures, given the plethora of financial accounting topics available, the author immediately realized the educational benefits and student learning potential from the case. Since its initial use, the author and the sessional instructor have used the case at the end of an Intermediate Accounting II (III) course as a capstone course project/final exam (case). Some initial student comments were generally favorable with two such comments being noteworthy:

> "This case has taught me more about accounting than my previous accounting courses combined." (Clements K., 1991, finance major) and
> "I wondered about the logic of assigning a case of this length and comprehensiveness, but soon after completing the case I found myself much more aware of the big picture and the inter-relationships within financial accounting." (Alfing N., 2007, accounting major).

Both responses were received unsolicited with the second quote being received after the student had graduated and started working for a CA (Chartered Accountant) firm. Finally, an initial faculty response received in 1986 was: "How do you grade such a project?" The case is presented at the end of this paper as Exhibit 1.

CASE LEARNING OBJECTIVES

The case was written with the following primary learning objectives: (1) to enhance the student's application of the accounting process with the preparation of financial statements including footnote disclosures; (2) to help the student integrate and synthesize the interrelationships between the various specific financial accounting topics; (3) to require the student to conduct research into the various Statement of Financial Accounting Standards (SFAS's) (now FASB ASC's) or the CICA Handbook where necessary (now IFRS's); (4) to help the students to understand the necessity of properly prepared working papers; (5) to expose the students to some elements such as a Board of Directors resolution, requisite client-auditor communication or lack thereof, and evaluation of potential hidden ethical issues and accounting judgment calls; and (6) to enhance the students' writing capabilities through writing footnotes and a memorandum of work tasks performed (Matters for the Attention to the Partner, MAP).

Specific financial accounting topics covered in the case include the following:

1) Bonds Payable
2) Investments
3) Stock Options
4) Stock Dividends
5) Pension Expense
6) Capital Leases
7) Deferred Income Taxes
8) Contingent Liabilities (litigation)
9) Discontinued Operations
10) Subsequent Events
11) Installment Sales
12) Earnings per Share
13) Cash Flow Statements

SUMMARY

Having identified a void in the educative process for financial accounting coupled with the creation of a hypothetical case[5] to fulfill this void, the case was pilot tested in a small class size (11 students) at a University in the US. Initial informal student feedback was positive. Course objectives were then established and a survey questionnaire was developed. Besides recognizing the student learning potential from the case, justification for use of the case was best stated by the International Accounting Education Standards Board as quoted above.

Next, the issue of educational strategy and pedagogical methods were addressed. (Bonner, 1999). It was decided that a Problem-Based Learning/Case Studies Method would be the most advantageous. (Article 2, forthcoming). Because the author was involved in teaching both in the United States and Canada at the time, it was decided to test the case, first in Canada and then in the US. (Articles 3 and 4, forthcoming). Also, because of the differences in the educational structure between the two countries, both for general education requirements and accounting courses, the section titled "The Financial Accounting Educative Process" was added to this article. Additionally, at this time Canada was transitioning to the adoption of International Financial Reporting Standards. This creates two possible solutions to the case, US GAAP and IFRS. (Article 5, forthcoming).

Finally, expansion of the case is possible by adding additional topics such a dollar-value LIFO (in the US) and increased rigor is also possible, however, some topics in the case were simplified (i.e. pensions) so that the case would be manageable. The true educational benefit from the case is the integration of the numerous financial accounting topics covered thus allowing the students to see "the big picture." (Alfing, 2007).

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EXHIBIT 1: THE CASE: HYPO CORPORATION

Instructions

You have just been hired by a fictitious CPA/CA firm and your first assignment is to prepare a set of financial statements. Hypo Corporation began operations on January 1, 2004. You have just learned that the staff auditor and the manager on the Hypo Corporation engagement just quit the firm and left the country. The partner in charge of the engagement has instructed you to do the following:

1. Prepare a complete set of financial statements, including appropriate footnotes (a Compilation) for Hypo Corporation, in accordance with GAAP. Where there is incomplete or minimal information to prepare footnote disclosures according to GAAP, list the type of information that would normally be required.
2. Write a memorandum to the partner summarizing your work tasks performed and any concerns or issues that you feel he/she should address with management, Matters for the Attention to the Partner (MAP).

The attached work papers are the only notes that the prior staff left behind.

NOTE: Attach work papers, properly indexed, of all work for the partners' review. If you summarize any accounts for financial statement presentation, attach a schedule showing the summarizations. If you question an item and there is insufficient data to analyze it, assume it is correct and so note such in your memo to the Partner.

Hypo Corporation-Trial Balance-December 31, 2004

Account Number	Account Title	Debit	Credit
11001	Petty Cash	100.00	
11002	Cash, General Checking Account	2,190,747.20	
11003	Cash, Payroll Checking Account	100.00	
11101	Accounts Receivable	343,373.71	
11109	Allowance for Doubtful Accounts		12,000.00
11201	Inventory	376,017.29	
11301	Investments	225,000.00	
11401	Property, Plant and Equipment	300,000.00	
11409	Accumulated Depreciation – P. P. & Eq.		60,000.00
11901	Other Assets - Installment Note	50,000.00	
12101	Accounts Payable		498,026.14
12102	Employment Taxes Payable		23,326.00
12103	Sales Tax Payable		- 0 –
12104	Federal Income Taxes Payable		239,933.06
12201	Bonds Payable		956,709.20
12301	Provision for Loss on Lawsuit		20,000.00
13101	Common Stock		860,000.00
12151	Preferred Stock		255,000.00
13301	Retained Earnings		- 0 –
14101	Sales		4,327,150.00
15101	Cost of Goods Sold	1,980,000.00	
15201	Salaries – Officers	327,000.00	
15202	Wages – Laborers	634,027.21	
15203	Payroll Tax Expense	72,173.28	
15204	Utilities	45,081.45	
15301	Selling and Administrative Expenses	84,091.20	
15401	Depreciation Expense – P. P. & Eq.	60,000.00	

16101	Gain on Sale of Equipment		- 0 –
17101	Extraordinary Loss	20,000.00	
18101	Pension Expense	25,000.00	
18102	Interest Income		500.00
18103	Rent Expense	200,000.00	
18104	Income Tax Expense	239,933.06	
18105	Interest Expense	80,000.00	

Hypo Corporation-Notes

G.L. means agrees to the General Ledger (Trial Balance) amount.

1. On January 2, 2004, Hypo Corporation issued convertible bonds in the face amount of $1,000,000. The coupon rate of interest on the bonds was 8%. The bonds are convertible into 10,000 shares of the company's common stock. The bonds sold for a total of $956,709.20; which equated to an effective yield of 10%. If the bonds had been issued without the conversion feature, they would have been sold to yield 16%. Interest is payable semi-annually and the bonds mature on December 31, 2008.

<u>Account Analysis: 12201 Bonds Payable</u>

1/3/2004 Gross Proceeds	$956,709.20 G.L.

<u>Account Analysis: 18105 Interest Expense</u>

06/30/2004	$ 40,000.00
12/31/2004	40,000.00
	$ 80,000.00 G.L.

<u>NOTE</u> – Income tax rules for interest deduction follow GAAP.

2. On January 5, 2004, the Hypo Corporation purchased 5,000 shares of Tally Corporation common stock (a U.S. corporation) at a cost of $20 per share (classified as available for sale). On March 15, 2004, Hypo Corporation purchased 1,000 shares of Hsac Corporation common stock (a Canadian corporation) at $125 per share (classified as a trading security, to be held less than a year). On December 31, 2004, the stocks were trading at: $15 per share for the Tally stock and $140 for the Hsac stock. It is expected that the Tally stock value will recover in 2006.
3. On October 1, 2004, the Hypo Corporation granted a stock option to its President under the following terms:
   Non-transferable right to acquire 10,000 shares of common stock at an option price of $10 per share after two years of continuous service from the date of grant. The market price of the stock on October 1, 2004 was $12 per share. The market price of the stock on December 31, 2004 was $15 per share. The average price of the stock for 2004 was $12.50 per share. Using an options pricing model, it was determined that these options had a fair value of $60,000.
4. On April 1, 2004, Hypo Corporation issued 2,500 shares of $5 cumulative preferred stock. The total proceeds from the sale amounted to $255,000.
5. On January 2, 2004, the corporation issued 50,000 shares of its common stock for $12 per share, receiving cash. On July 1, 2004, the corporation issued an additional 20,000 shares of common stock at a price of $13 per share. Also, on November 30, 2004, the Board of Directors declared a 10% stock dividend to stockholders of record on December 15, 2004, distributable on January 31, 2005. The market price of the Hypo common stock on November 30, 2004 was $14 per share.
6. On January 6, 2004, Hypo Corporation adopted a defined benefit pension plan and funded the plan with $25,000. The actuarial report showed the following:

Service Cost	$40,000
Actual and expected return on plan assets	8%
Projected benefit obligation, 1/6/2004	- 0 –
Projected benefit obligation, 12/31/2004	$35,000
Actuarial gain (unrecognized)	$ 1,000

Contributions to the plan are on January 6 of each year and the income tax deduction is limited to the actual cash funding of the pension plan.

7. On January 2, 2004, Hypo Corporation leased (non-cancellable) some equipment for four years. Annual rental payments of $200,000 payable in advance at the beginning of each year is required. The estimated useful life of the equipment is four years with a zero residual value. The lease is a triple net lease. The lessor's implicit interest rate in the lease is 12%, which is lower than Hypo's incremental borrowing rate. Hypo uses the straight-line method to record depreciation. The tax laws require that this lease be treated for the corporate tax return as an operating lease.

   Account Analysis: 18103 Rent Expense

1/3/2004	Cash Disbursement	$200,000.00 G.L.

8. On January 7, 2004, Hypo Corporation purchased $300,000 worth of equipment that had an estimated useful life of five years with a zero salvage value. MACRS/CCA yields the following percentages for tax depreciation:

Year	
1	33.33%
2	44.45%
3	14.81%
4	7.41%

9. On December 1, 2004, Hypo Corporation sold some inventory for $60,000. The terms of the sale were $10,000 down, $20,000 payable on December 1, 2005 and $30,000 payable on December 1, 2006. The cost of the inventory was $40,000. The customer signed an installment note which called for interest at 12% on the unpaid balance payable on December 31, 2004 and 2005, and December 1, 2006. The tax specialist in your firm's office stated that for tax purposes the installment method should be used for the tax return, but that the accrual method must be used for GAAP. The comptroller for Hypo booked the sale, in total, in 2004.
10. On November 1, 2004, Hypo Corporation was sued for patent infringement. The Comptroller booked a $20,000 loss which he expects to materialize in 2007. The attorneys for Hypo feel that they can successfully defend the lawsuit.
11. Inventory is recorded at cost and the cost flow assumption employed by Hypo is the first-in, first-out method. The market value of the inventory as of December 31, 2004 (Hypo uses the total inventory approach) was $355,750.00. The general ledger balance represents original cost.
12. See attached Board of Directors Resolutions, Exhibit 3.
13. The corporate income tax rate is 30% with no corporate alternative minimum tax calculations required. The corporation expects its tax rate to be 30% in future years. The comptroller booked income tax expense based upon the book income recorded. No tax was paid in 2004.
14. On February 3, 2005, Hypo Corporation sold all of its equipment for $400,000 and then immediately leased it back. The lease was for four years, non-cancelable, with annual lease payments of $137,282 payable at the end of each year. The applicable interest rate for this lease was 14% and Hypo has the option to repurchase the equipment at the end of the lease for $100.00. Hypo will pay all executory costs.
15. Having a question for the Comptroller, you called the corporate offices to find out that the president, vice-president and the comptroller left yesterday for a vacation in Switzerland and will not return until the day of the stockholders' meeting, set for May 1, 2005. You also learned that your firm's tax specialist went with them.

Minutes of a Special Meeting
of the Board of Directors
of Hypo Corporation

The Special Meeting of the Board of Directors of Hypo Corporation, being duly called with appropriate notice, was held on July 31, 2004, at 8:00 p.m.
WHEREAS, total sales to the U.S. Federal Government to date have been $450,000, with costs of goods sold at $420,000 and $50,000 of Selling and Administrative expenses, costs directly applicable to said sales; and
WHEREAS, the Management has determined that any future sales would be unprofitable;
NOW THEREFORE BE IT RESOLVED that the Corporation will discontinue all future sales to the U. S. Federal Government.

NOTES

1. See: e.g. **United States of America-** Roy and MacNeill, 1967; American Accounting Association (AAA), 1986 (The Bedford Committee); Arthur Anderson et al., 1989 (The White Paper); Accounting Education Change Commission (AECC), 1990; American Institute of Certified Public Accountants (AICPA) 1990; AICPA, 1992; AICPA, 1999; Albrecht and Sack, 2000; AAA and AICPA, 2012 (The Pathways Commission); **Ireland-** Clarke, 1990; **Australia-** Mathews, 1990; Freeman and Hancock, 2011; DeLange and Watty, 2011; **New Zealand-** Marrian and Lothian, 1992; **United Kingdom-** Hassall et al., 1999; **Canada-** Education Reengineering Task Force (1999); **Spain-** Arquero, 2000; **Libya-** Ahmad and Gao, 2004; **China-** Lin et al., 2005; **People's Republic of China-** Winkle et al. (1992); and **International-** International Federation of Accountants (IFAC), 1996; Needles, B. E. (2008);
2. Much has been written about competencies in accounting. A good starting point is Deppe et al. (1991). A key question still unanswered is: "What is best learned in a university on the one hand and in professional practice on the other?" (Wilson, 2011, p. 3). The "longitudinal" aspect or "alignment" issue is critical as we go forth with changes to the pedagogy of accounting education. (Wilson, 2011, p. 4). It is this author's opinion that there are many areas of knowledge base, skills and attributes that are best left to the experts in disciplines other than accounting. This is not to imply that we as accounting educators cannot "reinforce" (Stocks et al., 1992, p.195) nor enhance said knowledge base, skills and attributes in our teaching of accounting.
3. The ranking here is a simply average of the rankings across the three surveys identified.
4. Classification of courses between general education and business including accounting is difficult because some universities classify economics as business whereas others classify economics as a general education course. This author has even seen a business law course classified as a general education course.
5. The author chose to use a hypothetical case because at the time of writing the case the author was under the restriction of "privileged communication" as a licensed Certified Public Accountant in the State of Michigan, US.

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