



**CHARTERED ACCOUNTANTS HOUSE, PEARSE STREET, DUBLIN 2**  
**[cassicommittee@gmail.com](mailto:cassicommittee@gmail.com)**  
**[www.cassi.ie](http://www.cassi.ie)**

## **CAP 2**

### **2011 PROGRAMME REPORT**

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## **Introduction**

This report has been compiled by CASSI by amalgamating over 100 submissions from students in all regions, representing the views of students operating both under a training contract and the Elevation programme, following the 2011 CAP 2 Examinations (Summer), held from 21 to 24 June 2011.

The report outlines their comprehensive and considered responses to all aspects of the CAP 2 programme; from the lectures and tutorials provided to the quality and availability of support materials, the facilities and venues employed and the continuous assessments and exam papers themselves.

## **Course Delivery**

CAP 2 students gave a generous amount of feedback in relation to the planning and delivery of the CAP 2 course. Firstly, it should be noted that students commended the efforts of certain lecturers and their course delivery. However, they felt that not enough exam questions were covered in the lectures and a more practical approach was essential as opposed to reading directly from the notes. Students felt that they needed more guidance in terms of approaching exam questions in order to prepare them for the exam.

Students praised the effectiveness of having both lectures and online tutorials to assist them with their study and approaching their course work. They highlighted the fact this was advantageous as students were unable to attend all lectures held, especially those held mid week and those which clashed with work. Students also recommended a timetable for the posting of the online tutorials which would assist them in planning their study timetable.

They also praised the planning and delivery schedule as this acted as an effective guide for them through their course work. However, students felt that the lectures were spaced too far apart and there was not enough lectures for certain subjects. Students recommended lectures from each subject be grouped closer together in order to cover full exam questions. They also suggested monthly tutorial groups and more lectures for certain subjects, especially SFMA.

## **Availability and Quality of Support Materials**

Students also commented in numbers in relation to availability and quality of support material. Students commended the availability of notes and past exam papers and the effectiveness of online tutorials as these served as a useful method of study. They also praised the planning and delivery schedule as this set out practise questions which the students found useful. However, in order to improve on the quality of the above, students have made a number of recommendations.

Students were generally dissatisfied with the layout of the website and would prefer a more structured layout. They also believe that a centralised website for notes would be hugely successful as notes obtained in the different regions varied significantly; giving students an advantage in the different areas.

Students also felt that there was insufficient course material available to bridge the gap between the books and the exam standard expected. Lecture handouts were not detailed enough and were not a reflection of the exam questions they were expected to answer in the exam.

Students also commented on the errors in material received, especially in tax and financial reporting. They also commented on the lack of notification when revised solutions were posted. Students felt that an email would have been appreciated.

### **Continuous Assessment 1 – Auditing and Assurance**

Overall this paper was considered difficult by students. The main issue raised by students was in relation to the examination of investments as part of the exam. It was noted by most students that this area is a very specific section of the Audit and Assurance syllabus, and as such was deemed to have been given an unfair weighting in the continuous assessment.

It was also noted by students that the provision of study material related to the sections potentially examined was particularly poor. Students commented that in the week after the continuous assessment, further notes relating to the topics covered in the continuous assessment were released through the student website.

In relation to preparation for the continuous assessment, students felt that they had been left unprepared by their lecturers. Several students noted that a lecturer had informed them that the area of investments, which came up in the exam, was never asked and therefore they should not spend too much time on that area. CASSI is aware that the CAI has previously advised lecturers not to comment on the likelihood of topics arising in exams. Sending a reminder of this policy to lecturers would appear appropriate. Overall students felt that the information given prior to the exam on the topics covered was very unsatisfactory.

Belfast students noted that the area of investments had not been covered in their lectures at the time of the exam.

The timing of the exam, in relation to lectures and work commitments, was also commented on by students who felt they were unable to give a fair account of themselves due to not having had enough lectures or not enough time to prepare properly given work commitments, or both in many cases.

## **Continuous Assessment 2 – Strategic Finance and Management Accounting**

Overall this paper was considered fair by the majority of students. Students commented on the standard of question being in line with the material which they have covered and also that the standard required was similar to that which they had expected.

Students noted that the topics had been covered in the lectures and that they had been provided with adequate resources with which to study for the exam.

It was noted by students sitting the exam in Stranmillis venue that the desks were not big enough for the material required for the assessment.

The time constraints in the exam were noted by many students as they felt the amount of information required in the answer was in excess of the amount of time given for the assessment.

### **Paper 1 – Taxation (Northern Ireland)**

The overall impression given by the responses suggested that this paper was seen as more of a memory test rather than a strategic thinking paper. Timing did not appear to be an issue. It was suggested that there is too much focus on thresholds, payment dates, penalties etc. The syllabus is deemed too long, with many students feeling that the paper does not challenge the principles behind the taxation system.

**Case Study:** Students generally deemed this section quite fair and it accurately reflected the syllabus. As with other sections of the paper, students could have been easy to be misled in certain areas. For example, the case made a point of detailing how important R&D was, yet the amount given as expenditure would not have reached a threshold for relief. This was deemed unfair and unnecessarily deceptive. Students felt it would have been easy to carry on with R&D calculations; especially given the amount of corresponding detail in the case notes.

**Q2: Short Questions** – These questions were deemed fair. Some students felt it was very specific in certain areas; however this was to be expected.

**Q3: Group Loss Relief** – Students felt this to be a more complicated standard than had typically been seen before as the question encompassed subsidiaries and associates as well as loss relief groups and capital gains groups.

**Q4: PPR** – The feedback received suggested this question was difficult and unfair. The incorporation of the lettings relief was not straightforward and this seemed to fluster many students.

**Q5: IHT** – Students felt this was a fair question which reflected the syllabus.

## **Paper 1 – Taxation (Republic of Ireland)**

CASSI received widespread feedback from a significant number of students that the exam paper was not in line with the competency statement in respect of the weighting of Corporate Tax.

We have reviewed the paper and accept that these views do not appear to be accurate as the paper potentially reflects the weightings given in the competency statement if specific options are selected.

Whilst we acknowledge that the CAI have not deviated from the prescribed weighting, students who had aligned their focus and study time in anticipation of a more traditionally balanced paper have reported feeling misled.

The majority of students found question one to be the most difficult question on the paper with question two regarded as the next most difficult.

In terms of degree of difficulty, the paper itself was generally regarded as fair and of the appropriate standard with only a small minority of students reporting a lack of clarity in any requirement.

## **Paper 2 – Audit and Assurance**

There was a mixed response to this year's paper, with equal numbers commenting that the examination paper was difficult and fair. The absence of questions on controls testing was noted by many students, given the emphasis placed on this area in lectures. Elevation students also commented that their lectures tended to focus on Audit theory while the examination itself, as has been the intention of the CAI, has become very practically orientated.

The numbers commenting that they found the level of Financial Reporting knowledge required a surprise would suggest that lecturers could re-emphasize this point in lectures. In addition, some student felt that the APB Standards and Guidance book to be under utilised by lecturers and a clearer explanation of its value could be given.

**Case Study:** Most students found the case study to be a challenging question. The case study was reported to be the most time pressurised question on the paper with the volume of material to be covered and responses required considered to be excessive.

**Bank Reconciliation:** Many students commented that the format was unfamiliar and some remarked that the presentation made the requirements unclear.

**Audit Report:** The Audit report question was considered by most to be extremely challenging. The general feedback received from students was that the option questions on this year's Audit paper were harder than those in previous years.

### **Paper 3 – Strategic Finance and Management Accounting**

Overall, students felt the paper was too long and timing was deemed a major issue. Although some of the questions were not judged to be overly difficult, students felt unable to deliver good quality answers with the volume of information supplied and the type of questions asked.

**Case Study:** In comparison with previous case studies, the level of information provided in the case study was particularly high and each of the questions covered a large percentage of the SFMA syllabus. Questions on hedging usually require some thought and cannot be answered quite so quickly as others. Questions on the budget control, variance analysis and variance analysis commentary seemed fair but these questions take a considerable amount of time to complete and the marks awarded did not reflect this. Given that variances had to be calculated for two companies, this also added to the difficulty in completing the question within the necessary time frame. Furthermore, some students complained that budget control calculations had not been covered in lectures nor did they receive notes from the institute in relation to same.

The end of the case study required an essay based question on ethical issues which, again, while judged to be a fair question but at this stage of the case study, students were rushing and struggling to complete the case study within the required time frame.

**Q2)** Question 2 was thought to be of an appropriate standard but again timing was an issue and it was deemed difficult to provide a good quality answer. Students had not been provided with any examples of how to purchase a company with a combination of shares and cash.

**Q3)** The first part of question 3 asked students to critically analyse the dividend policies of 3 people. The overall synopsis was that it was difficult to judge how to answer this question given that in critiquing one policy you were actually using dividend policy theories similar to that of the other two people already provided to you in the question. It was confusing to know whether the examiner would accept such answers. The remainder of the question seemed fair but again, difficult to answer given the time limit.

**Q4)** Question 4 demanded a lot of calculations and was judged difficult to answer within the time limit. However, it was deemed to be a fair question and reflected the content on the syllabus.

Some students also queried whether the paper accurately reflected the competency statement in respect of risk management, which is anticipated to be 18% to 23% of the examination.

## **Paper 4 – Financial Reporting**

Overall students seemed to think this paper was fair; however timing was an issue for many. Many felt that they were rushed with their responses, which adversely affected the quality of their scripts. Some students commented on the fact that there was no presentation marks available.

**Case Study:** Asking for Consolidated SoFP and SoCI in separate questions could be misleading in terms of whether calculations needed to be duplicated in both or reference could be made to the previous question's notes. The layout of this could be improved upon.

Students felt that the Consolidated Statement of Changes in Equity was not really studied in lectures/notes/textbook, but formed seven marks of case study. Additional examples and questions were deemed necessary for future students to answer in a more competent manner.

Students feel that the Ethics question for ten marks seemed very disproportional to rest of paper. Given that this area is not given much presence in lectures, students felt this was a little unfair. Students also seemed confused in how to answer this in a competent manner.

**Q2: SoFP/ SoCI** – The feedback received suggested this question was fine. However, time was again an issue as a lot of work was required given the number of adjustments and calculations required. In addition, it was deemed time consuming to present both statements.

**Q3: Stock Exchange Listing** – Many students were bewildered with this question. Many thought this question more appropriate to the SFMA paper. It was felt that a full written question in this area was unexpected and seemed slightly out of line with previous papers and competency statement.

**Q4: Short Questions** – Students felt this to be a difficult question and ambiguous in a number of areas. In particular, the question relating to sale and return came in for criticism as there was no detail given on the likelihood of returns or values involved.

## **Examination Venues**

Students were happy with the exam venues, with the exception of the venue in Galway. The invigilators across all the exam centres were widely commended for being sensitive and supportive of students during the exams. This helped students remain calm and put them at ease going into the exams.

**Dublin** - Students were generally satisfied with the exam centre in the RDS. Students were happy with the exam location as it is well serviced by public transport and easy to get to.

Some students complained that the exam centre was cold during the exam. Also some students found it difficult to navigate around the centre due to the large volume of students leaving exam material in the aisles. Students expressed annoyance at the cost of parking in the RDS which was not the case in prior year.

**Cork** - There was strong positive feedback about the Cork exam centre. Students thought it catered to their needs perfectly and was in a good accessible location. Some students however highlighted that the centre was cold at times during the exam.

**Belfast** - Students were pleased with the exam venues. Most found them to be well located and provided a good environment to sit an exam. There was plenty of space to lay out books. Some found the hall to be cold in the mornings of the exams. There was some concern that one of the exam invigilators in the Indoor Bowls venue was not aware of how the 20 minutes reading time procedure operated and did not allow students to write until 25 minutes had elapsed.

**Derry** - The supportive and helpful invigilators were praised, as was the venue itself.

**Limerick** - Students were very happy with the LIT exam centre. Most found it bright and airy. Students had plenty of space to arrange their books. Parking was ample and near the entrance of the exam hall which pleased students.

**Galway** - There some dissatisfaction with the Galway centre, with some students finding it unsuitable for an exam. The main criticisms from students were that the room was very dark, the chairs were unsuitable for sitting down for nearly 4 hours and that noise could be heard during the exam from the nearby gym which was distracting to students.

**Waterford** – The feedback received was positive in respect of the venue and invigilators.

### **Additional Comments**

There was a unanimous and overwhelmingly positive response to the additional reading time of 20 minutes in the exams. This helped students focus on the exam paper and plan their answers. Students also commended the layout of the exams in that tax was on the first day. This was well received and appreciated by all students.

Students recommended more continuous assessments through the year, especially for tax and financial reporting. They believe this would relieve some of the stress on the exams in June. Students have also expressed their belief that a “break” day in between the exams would be hugely beneficial before facing the final two exams.

Students commented on the length of the papers and the lack of time given to adequately approach the questions. While the additional time was beneficial, some students still struggled to complete the exam within the required time.

It is regrettable that there were two errors on the papers which required announcements amending the text during the examination itself; one in Audit and Assurance and one in Financial Reporting. It is fortunate that both errors were detected early in the examination.

The decision to hold the closed book examination first, Tax, was widely praised and CASSI would recommend that this format be retained in future.

## **Conclusion**

In general, the CAP 2 programme has been well received in 2011 by both contract and Elevation students. CASSI is grateful to the CAI for extending the invitation to provide this report. We trust the feedback provided will be beneficial and will be taken in the constructive and co-operative spirit intended.

CASSI would like to thank the examinations team and CAI for communicating the availability of the feedback survey to students in the exam venues and via the Student Services Notice board. This assistance is greatly appreciated by CASSI and the regional committees and, together with the continued support of student services, enables CASSI to contact students throughout the year and carry out its role effectively.

Should you require any further elaboration on any of these issues raised, please contact the CASSI Education Officer.