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CAP1

2014 Programme Report

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**Chartered
Accountants Ireland
Student Societies**

Introduction

This report has been compiled by CASSI by combining submissions from students in all regions, representing the views of students operating both under a training contract (65% of respondents) and the Elevation programme (35% of respondents), following the 2014 CAP 1 Examinations (Summer), held from 27 to 30 May 2014.

The report outlines students' comprehensive feedback to all aspects of the CAP 1 programme; from the lectures and tutorials provided to the quality and availability of support materials, the facilities and examination venues, the continuous assessments and exam papers themselves.

Course Delivery

Overall there was very positive feedback from students in relation to the course delivery. Students were generally happy with the overall student experience but some students highlighted some areas where they felt improvements could be made.

From those who sat all CAP1 modules, a number of students felt that there was an unnecessary number of law and tax lectures, given that these subjects represent half a module each, and felt they would benefit from more emphasis on other subjects. However, CASSI recognises that there is a volume of material to be covered in both tax and law, despite these subjects only representing a half paper for the purposes of CAP1.

There was particular mention of the high standard of lecture delivery for finance and management accounting lectures. However, some students noted that they did not find the tax lectures beneficial. These were Dublin based students but it is not clear to CASSI which group these students were in. A significant number of students were satisfied with the tax lectures. Some students felt more question focused lectures, looking at a step-by-step approach to exam-style question would be beneficial.

Availability and Quality of Support Materials

Overall the feedback provided here was very positive.

Most students agreed that the text books were beneficial to the study process and that the availability of past papers assisted with their exam preparation. It was noted by a significant number of students that there were mistakes/typos in the support materials provided, in particular solutions to management accounting questions. CASSI has not been able to verify the accuracy of this.

In particular, the materials provided for tax received mixed reviews. Some students found the books and lecture notes very useful whereas others noted they found these the least useful of all the materials provided. A small number of students remarked that lecture notes are quite often taken straight from the book, which is not useful or beneficial. However, CASSI recognises that this is not in line the positive feedback received by CAI prior to the exams. Students noted in particular that the book would be more useful if an index was provided. Students also noted that there was no tax revision pack available, as there was for finance and management accounting. Students found these revision packs very beneficial and recommended the introduction of a tax revision pack.

Exam Venue Feedback

The responses for the exam venues were generally positive. Many students noted that they were pleased with the parking facilities and the large table size. Particularly, students were very satisfied with the smaller venues in Waterford and Limerick. The majority of respondents who sat their exams in Dublin were satisfied with the venue.

Students noted that they were inconvenienced by the change of venue in Belfast so close to the exams. Some students noted that they were not satisfied with the communication from CAI in respect of this venue change. As students had selected their work e-mail address to receive CAI notifications, they did not receive the notice due to being out of the office. However, CASSI recognises that students have the option to select their contact e-mail address for CAI and it is suggested that students use their personal e-mail address during study leave to avoid such a situation. Students suggested that important messages such as this could perhaps have been communicated via text message.

Despite this, the majority of students sitting their exams in Belfast noted that they were very pleased with the location of the venue, the set-up and the parking facilities available. A minority of students noted that the venue is not convenient for those using public transport but were satisfied with the venue other than this.

96% of respondents throughout the country detailed that they were either very satisfied or satisfied with the invigilators on the day.

Continuous Assessment – DEBK

Generally, students were very happy with the delivery of the course, especially the quality of lectures and materials.

However, a minority of students felt the fact that there was no attempt marks given was an unfair element of the exam and were unhappy that the exam was on a computer. However, CASSI acknowledges that this is a multiple choice exam and the current system allows students flexibility in when they sat the exam and an efficient marking process.

A number of students noted that they were sitting their exam in a room where driving theory tests were being held concurrently and this resulted in disruptions as people entered and left the venue (exam location not detailed in these student responses). Specifically, in the Athlone exam centre, there were concerns raised over the venue as it was held in a lorry trailer on a very windy day and was noisy throughout the exam.

Continuous Assessment – Management Accounting

Feedback was generally very positive for this assessment, with students pointing out that they felt the material covered in class up to this point sufficiently prepared them for the questions on the paper.

Paper 1 – Finance

Overall students found this paper to be challenging both in terms of difficulty and in terms of time management. A number of students noted that they felt unprepared to deal with some of the material presented. Students felt the layout was different to prior years and questions appeared in a manner they had not anticipated as noted below. However, CASSI has regard to the fact that the breadth of material examined is variable year on year in line with the competency statement.

Question 1 – According to feedback was most difficult question on the paper. A number of students felt that the questions covered in class on this subject (WACC) were not consistent with this question.

Question 2 – Some students noted that the level of detail made time management challenging for this question though students generally felt this was a fair question.

Question 3 – Students generally felt this was the least difficult of the seven questions and was a fair question.

Question 4 – All students who provided feedback on this question felt this was a fair and manageable question.

Question 5 – A minority of students mentioned they had difficulty with time management with this question. There were mixed responses to this question overall, some students noted it was straightforward while other students had issues with part c of the question.

Question 6 – There were mixed responses to this question. A significant number of student responses detailed their difficulty in answering part b of this question. Some felt the layout and difficulty of this part did allow let them demonstrate their knowledge of capital appraisal.

Question 7 – No specific feedback given although students appear to have found this to be one of the more manageable questions.

Paper 2 – Management Accounting

The general consensus regarding the Management Accounting exam is that it was a fair paper. Many students noted that they felt sufficiently prepared to tackle the questions they were presented with. The main issue highlighted by students was that they felt under pressure due to large amounts of information which needed to be processed in what they felt to be a short amount of time.

Question 1 – Students found this question difficult mainly due to the level of calculations required which they found to be time consuming. Some students also found the large amount of information in the question confusing, with some students having specific difficulty in the preparation of the purchases budget. Students did not seem to have an issue with part b of this question.

Question 2 – Students acknowledged that questions similar to this had come up in past exam papers and as a result felt prepared for it. Some students noted that this question was time consuming. Students also reported that they found the question was unclear about the current method of costing and some did fully not understand what part c of this question required.

Question 3 – This question was generally perceived as the least difficult question on the paper. Student felt it was a fair question, though some students reported that the information about the claims processing and claims payout was confusing.

Question 4 – This was generally viewed as one of the most difficult questions on the paper. The difficulty stemmed from what students felt was a large amount of information which had to be processed in order to attempt the calculations. Students also highlighted that they were not informed if they were to round to the nearest day in order to calculate the Margin of Safety.

Question 5 – Along with question 4, this was deemed to be one of the most difficult questions on the paper. Students did not have an issue with the theory required in this question but did find the calculation using the high-low method difficult and "unusual". However some students did acknowledge that examples of this were done in lectures and that it should not have been a problem. Students noted that there were a large amount of costs which needed to be considered for the final part of this question but that they were well explained.

Question 6 – The overall feedback on this question was that it was a fair and straightforward question. However, some students felt that the calculation of fixed overheads as well as the theory in the final part of the question were difficult.

Paper 3 – Financial Accounting

Overall, students felt that this was a fair paper that covered the financial accounting course well and was what students expected through revision of past exam papers. Students found that the requirements of the partnership accounts question differed from previous years. Some students

noted ambiguities within the requirements of the questions which caused issues on the day.

Question 1 – Students felt that this was both a good and fair question in that it covered the course well, was similar to previous years and was what a lot of students were expecting. Students noted that they found the part based on construction contracts specifically difficult in the context of the question with other students struggling with the receivables days and theory parts of the question.

Question 2 – This was generally regarded as a fair question which was broadly in line with prior years with students acknowledging that they felt prepared. Some students noted that there was a lot to do which required working at a fast pace. Other students had issues with the treatment of interest, the information given on the capital shares issue and the charge for depreciation.

Question 3 – The general response to this question was that it was a difficult question. Students attributed the difficulty to the layout of the question, with a partner joining during the year and the question requiring a capital account for the first half of the year and the second half of the year. Students felt that this lay out differed from previous partnership questions and required time consuming consideration of the layout before attempting the question.

Question 4 – This was regarded as a straightforward theory question if the student was well versed in the topic. The majority of respondents opted not to answer this question.

Question 5 – This appeared to be the preferred question over question 4. Though students felt it was a fair question, some students found that it was difficult to decipher what the marks in the question would specifically be allocated for and felt that it was open ended.

Question 6 – This was felt to be one of the least difficult questions on the paper in that it was very straightforward with few adjustments and nothing unexpected required.

Question 7 – Many students chose not to answer this question. However, those that attempted it felt that it was a difficult question on leases and required a lot of writing and was thus time consuming for the marks which were awarded for it.

Question 8 – This question was not viewed as particularly difficult but students felt the amount of journal entries required were very time consuming. Some noted that the difficulty of the adjustments was greater than those that they had practiced. The preparation of the suspense account was viewed as straightforward but some felt that it was hard to ascertain that correct items were adjusted for profit. Students acknowledged that revision of the DEBK toolkit prepared them well for this question.

Paper 4A – Tax (Republic of Ireland)

The overall impression was that this was a very difficult paper. Generally students felt the areas focused on were overly specific and detailed meaning that a broad knowledge was not examined in favour of specific narrow topics. However, CASSI has regard to the fact that taxation is a specific technical subject by virtue of its nature and therefore lends itself to examining specific areas in detail.

Question 1 – The majority of students (71%) felt this question was the most challenging question on the paper. Many students commented that the question was very specific in what was asked and that a very thorough detailed knowledge of these specific areas would have been required to adequately answer the question.

Question 2 – The majority of students (71%) found this to be the least difficult question on the paper. Students generally felt that this was a very good and fair question of a standard comparable to previous years. Students felt it was clear from the lectures and the course materials that the area examined was important and they felt well prepared for this question.

Question 3 – There were mixed views in relation to question 3. Approximately 25% of students found this to be the most difficult question on the paper while approximately 25% of students found this to be the least difficult question on the paper. Students found this question focused on a very narrow area of taxation and somewhat resembled an “all or nothing” scenario where students either knew the material well or did not know the material at all and therefore could not properly attempt the question.

Paper 4A – Tax (Northern Ireland)

All questions given between 1 to 3 difficulty ratings, appears to be quite high. A couple of students pointed out that certain parts to questions were maybe covered by one slide in class and felt this was insufficient.

Question 1 – Some students felt that this question was very time consuming in comparison to past papers, and left little time for the rest of the paper.

Question 2 – There was limited feedback on this question. The small number of students who provided feedback felt this question was fair and was in line with the past papers on that subject.

Question 3 – A number of students felt enough emphasis was not placed on partnerships in the lecture and students felt unprepared for the question. However, CASSI has regard to the fact that this material is detailed in the text book provided. One student also felt that some parts to this question were not well worded, referring to both a ‘letter’ and a ‘memo’.

Paper 4B – Law (Republic of Ireland)

Overall students felt that this was a tough but fair paper. There were very mixed views among students as to which questions were most difficult and which questions were least difficult. Little narrative feedback was received in respect of individual questions though some students noted that they felt the paper was fair, the requirements were clear and a good balance had been struck between the theory questions and those requiring application of theory.

Paper 4B – Law (Northern Ireland)

No feedback was received in relation to specific questions. The limited feedback received detailed that the past papers gave a strong basis for preparation and the material examined was in line with what was expected in line with prior years.

Conclusion

Overall the CAP1 programme has been well received by students in 2014. CASSI is grateful to Chartered Accountants Ireland for extending the invitation to provide feedback in this manner year on year. We trust the feedback provided will be beneficial and will be taken in the constructive and co-operative spirit intended.