



CHARTERED ACCOUNTANTS IRELAND STUDENT SOCIETIES

F AE Main Sitting
28-31 August 2018

[Core: Comprehensive and Sim Papers, Advanced Auditing and Assurance, Advanced Taxation NI & ROI, Advanced Performance Management]

Executive Summary

This report has been compiled by CASSI using comprehensive feedback from 734 students (2017: 479) across all regions, with 90% of respondents following the training contract route. Responses were collected across the country with the highest volume of responses from Dublin 60% (442) followed by 17% (122) from Belfast, and Cork 9% (67). Separate reports have been compiled on the AAFRP and Interim Assessments.

We note that students clearly marked each indicator in the exams, however there are several instances where students struggled with the specific objective of the indicator and were uncertain as to what the examiner was asking for.

Time pressure continues to be a significant issue across each exam despite students indicating that they had a plan to stick to. Students commented that they often were not able to adequately complete all requirements in the allotted time.

Core: Students have not clearly indicated which day they felt to be most challenging, with timing being a factor on both days.

Core day 1: Comp: The Management accounting indicator was noted as significantly time pressured with students commenting that they felt rushed in answering and had to move on before they had finished. Students also noted difficulties with the two Business Leadership indicators, Marketing Plan again being time pressured though considered fair, and the ERP system which was an uncomfortable subject for many students. The Financial Reporting indicator was also an uncomfortable topic for students who felt they were not confident in their approach.

Core day 2: Sim: Sim 1 was overwhelmingly the most challenging for students, with the Business Leadership (strategy) and Management Accounting (costing) indicators causing the most difficulties for students. Sim 2, although not considered as difficult in terms of indicators, was considered challenging as a result of the time pressure following sim 1, with answers considered rushed for Tax and Finance.

Advanced Audit Elective: Students again commented on the time constraints in this paper, specifically the Group Audit indicator. We note that a considerable number of candidates were

unsure of the context for the 'other engagement' indicator, however noted that once the appropriate standard was identified the requirement was fair.

Advanced Tax Elective: We note that timing again was the most significant comment from students on this paper. Students felt that some of the more meaty indicators resulted in a poor balance of timings for the remainder of the paper.

Advanced Performance Management: Timing again was raised as an issue for students. Students also commented on the heavy weighting given to theory and model based indicators rather than the calculations they had expected.

Key Issues

-Core and Elective saw a high volume of comments in relation to time pressures. Student identified that these stemmed mainly from the additional asks in a number of indicators which had a knock on effect.

- The wording of indicators also caused confusion for students over what the specific objective required was; evidenced in the Strategy Indicator in Core day 2, and the Audit Elective.

-The Management accounting and Business leadership indicators were considered the most difficult and time consuming in the core examinations.

- Positive feedback on the Integrated Case Days continues with specific thanks to a number of lecturers. The use of examiner reports as a study aid we are happy to report was also extremely high.

-Each elective paper noted time pressure as a key issue.

Venue

Across all responses the venues received largely positive feedback as being accessible to all students, spacious and with good desk size. 95% of students who responded indicated they were satisfied or very satisfied with the venue.

Issues again were raised by students in Belfast who noted that it took on average an hour to leave the venue car park each day.

Students in Dublin made multiple comments about the expense of parking in the RDS and suggested that a special rate be negotiated for students sitting the exams in future.

Overall the survey shows 96% satisfaction with invigilation of the exams.

Reasonable Accommodations: Of those who completed the survey, 6% required accommodation; no issues have been raised in relation to this support.

Examination communications

Of the 62% of respondents who made inquiries throughout the year, 17% noted it took over 48 hours to receive a response. Overall candidate communication with the Education and Exams teams has been positive. A minority of candidates have experienced some difficulties which CASSI have raised with the appropriate contacts.

Lectures and materials

Of the materials provided to students in the year, the Competency Statement (78%) and Steps Cases (58%), previous papers and examiner reports (91%) were ranked highest in respect to the use in preparation for the exam.

A number of respondents raised issues with the navigation of the new website, indicating that they found it difficult to locate materials and past papers.

Note that the SIM day in the mocks had two answer booklets, this was not the case in the main session. Students noted that the mocks should have been a practise of exactly how to complete the main exam.

It was also commented that the case days were very good and beneficial in preparing for the exams (with students suggesting moving more 'normal' lectures online and having some more ICD throughout the year). Students commented that they did not feel the lectures were as beneficial in their current form, a number suggesting having a few per subject which were 'more focused', including a balance of in person and online lectures, then focus on more ICD which also go through the marking schemes.

It was noted on a number of occasions by students that there were a number of key areas which were not examined at all which was very disheartening, such as Ethics and Corporate Governance given their dominance in previous years.

Of the 308 students who commented on the website, the majority feel that it is very difficult to find what you are looking for and that it should be more straight-forward to find all past papers and notes etc.

Core: Comp

The industries included in the case caused issues for students; many felt that having 3 separate industries was too much, this made it difficult to draw on any industry specific comments and also made it very difficult to focus your answer/ tone of the report.

Business Leadership - The ERP indicator received a lot of negative feedback, students felt that it was a very niche area of the syllabus.

Exam Team Response: whilst it is agreed that this is a small area of the syllabus, the notes available should help to answer any question which appears. This is also of significant importance in the current commercial climate therefore it is important that it is understood by chartered accountants.

The marketing plan was noted as very challenging, there were multiple asks in this indicator which many students felt was extremely difficult in the time assigned. A number of students commented that they ran out of time before completing all aspects of the question.

Finance – The indicator on dividends was noted as challenging as students were not confident in how to approach their answers, though most made an attempt to discuss some influencing factors.

Management Accounting - Students were unhappy with the variances indicator; though many acknowledge that this is CAP 1 and examinable, there were little examples in past papers to

practise, and the ask in the indicator was very heavy- requiring more time than expected, and many did not finish or were very rushed in their answers.

Financial Reporting – The disposal indicator was highlighted as very difficult to students, with many saying they were not overly comfortable in answering the question.

Time was highlighted as an issue in the indicator on intangibles given the number of items to consider, with some confusion over items such as Government License where the wording was interpreted differently amongst different students.

Audit – Student comments all mentioned that the audit indicator was unusual in comparison to recent papers and Cases.

Core: SIM

SIM 1

This was overwhelmingly considered the most difficult sim by students (70% of those who answered). Students commented that they did not feel they could use their industry knowledge to support their answers. They felt that there was too much required in the SIM for them to adequately complete in the time given, with a number of students noting that they had to sacrifice aspects of the indicators in order to complete the paper.

Audit – this indicator was deemed very unusual and very specific which may have benefited those sitting the AAE elective over other students. Again students commented that the additional asks made it difficult to provide a detailed answer in the time allocated.

Business Leadership – The indicator on strategy received the majority of the negative feedback with students unsure as to what the specific objective of the indicator was. Across the country students commented that they did not know what the examiner wanted, and when speaking with other students it appears it has been interpreted differently by different students. It was noted on a number of occasions that in previous papers students were directed towards a model or approach, but in this year's papers the question was much vaguer.

Management Accounting – this indicator was considered very time consuming given that it had 3 very substantial parts (to determine if you agree with the closures, reapportion the management fee – comment on current method and suggest 3 alternative criteria, and finally advantages and disadvantages of using each of these criterion). Students commented that they feel they did not have enough time to give full and considered answers to this indicator.

SIM 2

Overall this sim again was commented as being very time pressured.

Business Leadership –students overall felt that this was do-able if you could come up with specific points.

Tax – Students felt that this required a lot of time and consideration, which many did not have at the end of the 4.5hours. The indicator was very specific and scoped out many of the more comfortable

areas in the question such as the pension scheme. Students felt that this question was very tricky and it would be easy to go down the wrong route in your answer.

Financial Reporting – students overwhelmingly commented that the inventory indicator took up a considerable amount of time, and the wording was confusing. Student felt that the answer provided was largely unstructured and difficult to focus.

Finance – as most students left this until last they felt that there was no time to show their knowledge of the subject. Many students commented that their answers were rushed and they made silly mistakes in the calculations due to running out of time, despite the fact that this indicator was considered the most fair in the core.

Electives

Electives sat by respondents; a total of 455 students completed this section of the survey.

AAE: 46% (210 students)

ATE: 22% (100 students)

APM:32% (145 students)

Advanced Auditing and Assurance

204 respondents answered this question, there was no sim which was identifiably considered more difficult than the other, (54:46).

Overwhelmingly the indicator which caused the most difficulty for students was the 'other engagements' and the wording used. Students noted this was very confusing as they did not understand exactly what was being asked of them. Much like the Strategy question in the core papers, students have commented that the indicator has been interpreted more than one way, and they are still unsure as to which standard is correct. However it has been noted that once a decision was made as to which standard to use, the answer was relatively fair. It was noted that both this indicator and the ISA 600 indicator were very time pressured given the volume of information required.

The second sim was considered more time pressured than the first, though students commented that this was as a result sim 1 requiring very lengthy answers. The narrative around fraud took up a great deal of time when answering the paper putting additional pressure on students to complete in the 4.5 hours.

Overall no indicator has been singled out at the most difficult, however general time pressure has been highlighted as a significant issue.

Advanced Taxation

Of the 100 students who responded to this question 83% of respondents sat the ROI paper with the remaining 17% sitting the NI paper. Again the sim were considered equally difficult, with sim 1 coming out as slightly more difficult (55:45).

Again this paper was considered challenging in terms of timing. Students noted that some indicators required a lot of narrative which was difficult to condense. Indicator 1 was noted as being fair but the most time consuming in the paper as it involved a lot of considerations and reliefs which ultimately impacted both sim questions. Indicator 3 and 4 of Sim 1 were considered ambiguous in the wording again unsure as to what the specific requirement was.

Sim 2 suffered time constraints as a result of sim 1. Some answers in Sim 2 required a lot of detail which a number of students noted made it more difficult to complete the sim in full. A number of students commented that they would have liked more direction in the paper as they spent time second guessing their approach.

The most significant theme coming from the ATE feedback is in relation to timing constraints, made more difficult by indicators which has too broad a scope and it was difficult to condense the required information.

Advanced Performance Management

Of the 140 respondents to this question Sim 2 was considered the most difficult in this paper (79:61).

As with all other exams in this sitting time was a major issue across the board.

The bulk of student comments in relation to this exam noted considerable weighting given to theory and models, and very limited calculations which students were extremely unhappy with.

Exam team response: It was noted that on multiple occasions in Accountancy Ireland Extra, focus was given to the APM exam mentioning that there were a number of new models in the current year and in the past students did not sufficiently provide narratives alongside their calculations. Had this been taken into consideration, students may have been less surprised by the focus on narrative and models.

Sim 2 indicator 1 asked for a 'strategic framework/scorecard' which many students were unfamiliar with. This was noted many times by students who were unsure what the examiner was looking for.

A number of responses commented on the lack of opportunity to bring real world industry examples in to the answers which they were frustrated by given the focus of this in the APM course.

In terms of indicators, the Capital Structure and budgeting indicators were considered the most difficult by students. Students noted they were unsure as to the level of detail required and spent considerable time on these questions.

Overall students continue to comment on the time pressures of the exam, making the point that they often did not get everything they wanted to down on papers.

The general consensus across the APM responses was that the paper was considerably more difficult than previous papers and also that it did not reflect the papers they had practised. The paper has been described as very time pressured, too narrative focused and not encompassing of the syllabus.