

Think Ahead

ACCA

P6  
Advanced  
Taxation (UK)



Many candidates just need a few more marks in order to avoid having to sit the exam again

I'm going to offer some guidance, based on the experience of marking the last few sittings, as to how these extra marks may be obtained

## Need more:

- Knowledge
- Question practise
- Thought

But first – we must not forget that all candidates would benefit from more: knowledge, question practice, and thought.

**Knowledge** – candidates need to have a consistent level of knowledge across the syllabus

They need to make any weaker areas stronger,

And they need to reduce the number of holes in their knowledge

**Question practise** – particularly section A questions

The exam is not full of surprises - It should feel sort of familiar – albeit maybe not quite

Some candidates appear to have seen very few questions prior to the exam, Such that they don't seem to know what is expected of them - Or how the exam works.

So all practice is good

Some candidates are particularly wary of the more involved parts of Section A questions

We have noticed that if section A is left until last, then it is done in a reduced amount of time, or not done at all

There are too many marks (some of which are very achievable) in these question parts to treat them like this

**Thought** – before answering and while answering

Candidates need to try to increase understanding of who is who and of what's going on

Then identify all the tasks that need to be done, and come up with a sensible approach – particularly in respect of computations

Maximise number of points, by identifying points to be made before starting answer (they should not just make it up as they go along)

Cover all points, but don't dwell on one particular point

Think about the best way of making each point – be concise

Keep thinking about the requirement – stick to it

Do not get side-tracked

Keep to time – particularly at the start of the exam

Organise the answer, lots of headings, and be clear as to what is being addressed - which transaction, which tax, which year etc

## Now – the extra handful

- How to score a mark
- Efficient use of time
- More marks (with no extra knowledge)

Many candidates could obtain an extra handful of marks by improving aspects of their exam technique

In order to do this, they need:

- to know what they need to do in the exam in order to score a mark
- to use their time efficiently
- to score all of the marks available in respect of the knowledge they have – ie more marks with no extra knowledge

## How to score a mark

- Don't need to do much!
- Must be **relevant**
- Must be **correct**

A good page of exam script scores lots of marks – a poor one only scores a few (or none)

It is not necessary to write very much to score a mark – sometimes a single key word might be enough – ten words will almost always be enough (the trick is identifying the correct ten words)

In a computation a simple number (eg the personal allowance) will score 0.5, whereas a number resulting from the application of knowledge to a number may score a whole mark (or more)

This is important – because, in their excitement, candidates quite often omit some very simple things, which they almost certainly know.

Examples include the personal allowance, the annual exempt amount etc – these are easy half marks – which must not be missed

To score, whatever is written must be:

Relevant – ie it answers the question; and

Correct – but markers will, of course, follow through to exclude the effects of earlier mistakes.

## Efficient use of time



Do  
this

- Make a plan
- Stick to the point
- Keep moving

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Candidates need to use their time efficiently if they are to score sufficient marks

Here are some dos and don'ts to improve efficiency

First the dos

### 1. Make a plan

Think about the requirement and list out the relevant points – pause and think if there are any more relevant points – then make them all – bearing in mind – it does not take many words to score a mark

So candidates need to slow down – think more, write less

### 2. Stick to the point

Candidates need to keep thinking – otherwise it's easy to be side-tracked into irrelevant areas

### 3. Keep moving

From one point to the next – candidates should feel a sense of urgency to move on – be light on their feet – think then write, think then write and so on

## Efficient use of time

Do not  
do this

- Provide irrelevant information
- Spend too long on a question part

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### Now the don'ts

#### 1. Do not provide irrelevant information

On a basic level – relevant information answers the question

However, what might otherwise be relevant information can be made irrelevant by the facts of the question

For example – the question may state that ‘any relevant conditions have been satisfied’ – in these circumstances, listing the various conditions will not score marks

Explaining generally how the rules work is unlikely to be an efficient way of earning marks – it will probably earn some marks – but it will also be very time consuming

#### 2. Do not spend too long on any question part

The first few marks are the easiest to acquire

Many candidates produce thin answers to the Section B



questions – suggesting they have spent too long on Section A

## More marks (with no extra knowledge)

- Tell a story
- Be specific
- Deal with alternative outcomes

So, more marks with no extra knowledge

### 1. Tell a story

When explaining it can be helpful to think in terms of a story (written for very young children with easy words and short sentences):

- Start at the beginning
- Continue to the end

There will be marks through out the narrative

The idea here is to earn marks for some basic introductory points and some concluding ones as well as the bit in the middle (which is often the only bit that candidates deal with)

For example

George is UK resident (with reason)  
So overseas interest will be taxed in the UK  
However, George is non UK domiciled (with reason)  
So the remittance basis will be available

The remittance basis will not apply automatically (with reason)  
So will need to be claimed  
This will result in a Remittance Basis Charge of £x (with reason)  
Therefore – conclusion

## 2. Be specific

Candidates must be specific – it's not what happens generally that matters – it's what will happen to this taxpayer – this requires a degree of bravery and effort – it's much easier to step back and generalise – or even to describe the whole of the operation of, for example, IHT – rather than the particular aspects which are relevant to the person in the question

## 3. Dealing with alternative outcomes

Section A questions often include a consideration of alternatives – perhaps in terms of timing or of the business structure to be used

Candidates must consider both possibilities properly – there will be marks for both

Often the first one gets done and the second is just mentioned briefly – so marks are lost

It is possible that work done in addressing the first possibility will be useful when addressing the second – candidates must avoid doing the same series of tasks more than once – they will not score all of the marks twice!



Let's now look at how this exam will change in the new Strategic Professional, examinable from September 2018.

## Changes in September 2018

- Syllabus – no change
- Structure of exam – no choice
- Specimen exam – nothing new

There is only one significant change in September 2018

- Section B will consist of two questions rather than three – so no choice

This change is, of course, reflected in the specimen paper

Other than that, and somewhat unsurprisingly, the specimen paper looks like an old exam with a question removed!

## Timing of Budget

- No change to the tax exam year

The changes to the timing of the budget process will not affect the tax exam year. The exam year for tax exams will continue to be from April to March (exams in June/Sep/Dec/Mar)

Timing of syllabus not really affected, albeit we should hopefully have certainty sooner with the Finance Act being passed sooner.

### Note:

At the time of publishing these slides, a General Election is shortly to take place. If this results in any changes to the timing of Finance Acts to the extent that ACCA has to make any changes to the tax exam year, then this will be communicated in due course.



Any  
questions?

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