

Think Ahead

ACCA



## P7 Advanced Audit and Assurance – a guide to reflection for retake students

ACCA's retake guide for P7 is a fantastic resource designed especially to help you if you are retaking P7. Hopefully you have already had a chance to take a look at this but if not you can find it by clicking on the image above.

The first step towards success in your retake is to understand where you went wrong through a process of reflection...

## P7 Advanced Audit and Assurance – a guide to reflection for retake students

So, how do you reflect on what went wrong last time?

The key is to review the examiner's reports, which can be found [here](#). We suggest that at the very least you take a look at the last four – but of course you can look at as many as you like!



### Understand where you went wrong

Students usually fail an exam because they do not have the necessary knowledge OR they have poor exam technique OR a combination of both – the first step to success in studying for your retake is to understand the reason you failed.

In this section we will help you to understand where you went wrong and then in the next two sections we will take you through what you should do to ensure you pass your retake exam.

- Review the last four available [examiner's reports](#) for P7 in detail

➤ These provide you with feedback on students' performance in each exam, highlighting problem areas that students need to improve on and telling you what the examining teams are looking for – work through the reports carefully, trying to identify whether the issues highlighted were issues for you in your exam

Remember that students often make the same mistakes exam sitting after exam sitting and you will see that the examining teams talk about the same key knowledge areas and the same issues around exam technique time and time again. Really think about whether you have made these mistakes as, once you know what caused you to fail, you can work on improving that area. We will show you how in the next two sections





# Examiner's reports

## What are the examiner's reports?

The reports are produced after each exam sitting and provide an analysis of students' performance – what they did well and what they didn't do so well.

They tell you which parts of the exam students found challenging and identify some of the key areas where students appear to lack knowledge as well as where they have demonstrated poor exam technique. The reports refer to specific questions in the exam, looking in detail at areas which caused difficulty. They also provide lots of useful tips.

## How will the reports help you if you are retaking your exam?

If you review several of these reports you will notice that there are some key themes which the examining team comment on again and again. Typically students fail for the same reasons exam sitting after exam sitting.

For you to succeed in your retake you need to try to understand where you went wrong last time and then plan what to do differently next time round.

## What are we going to do now?

In this document we are going to show you how to use the examiner's reports in reflecting where you went wrong last time.

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## Step 1 – Read the last four examiner's reports

Read through each of the last four examiner's reports for P7.

- ✓ As you go through them note down any themes you notice which come up more than once.
- ✓ Also try to note down any areas where the examining team is providing advice – for example, you may see in the June 2016 report there is some advice about the need to be responsive to the question requirements and not simply reproducing a list of everything that is known about a topic.

### Examiner's report

P7 Advanced Audit and Assurance  
June 2016

ACCA

#### General comments *(from paragraph 2 of the report)*

Overall performance in the exam was disappointing with it being obvious that many candidates continue to not be properly prepared for this wide-ranging examination and as a result were unable to adequately apply their knowledge to answer the questions set. Too many candidates focused on the minutiae of a point and produced a list of everything they knew about a topic, whether relevant or not, very often missing the wider implications of the issue in hand. There was a clear lack of both auditing and financial reporting knowledge.



### Take note

You may need to read through each of the reports a couple of times – but to get you started you might note down:

*Producing a list of everything known about a topic*

You will see this pops up several times, for example in the June 2016 report.

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Now use this page to note down other themes or advice you notice which come up... include a reference to the report – so the exam sitting and the question number, the theme and then a bit of context (see example below)

Reference	Theme	Context
J16, M16 General comments	Producing a list of everything known about a topic	Too many candidates focused on the minutiae of a point and produced a list of everything they knew about a topic, whether relevant or not while missing the wider implications of the issue in hand.

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## Step 2 – Common themes identified by the examining team over the last four exam sittings

Now compare your list with our list over the following pages – how many did you identify?

Spend some time looking through the reports again with the table below at your side, to make sure you understand where each of the points comes from. You will see we have also included an additional column 'What to do differently next time' and we will talk about this in Step 4.

Reference	Theme	Context	What to do differently next time
J16, M16 General comments	Producing a list of everything known about a topic	Too many candidates focused on the minutiae of a point and produced a list of everything they knew about a topic, whether relevant or not while missing the wider implications of the issue in hand.	Exams at this level are at the higher end of learning skills, and require such skills as analysis, evaluation, assessment, decision making, critical analysis and discussion. They require application of knowledge rather than repetition of textbook material.
J16 Q2		Candidates are reminded that at this level answers need to be responsive to the question requirements and should not simply be an exercise in reproducing everything that they know about a topic.	The exam is not about how much you know but more about what you can do. So, when practising questions ask yourself whether you are producing a list of knowledge or actually applying that knowledge by assessing what the verb in the requirement is asking you to do and making sure you are using the scenario provided.
S15 Q2		There is still a temptation for candidates to revert to producing a generic list of rote learnt points without taking into account that some of these may not be relevant.	
M16 Q1	Differentiating between business risks and audit risks	Disappointingly, many candidates were unable to differentiate between business risks and audit risks.	This is a key knowledge area for the exam. Review the relevant text book chapters for this area and practice questions related to it.  Review the article <a href="#">Exam technique for P7</a> which looks at this specifically as it is recognised that students find this area challenging.
M16 Q1	Focussing on irrelevant issues	Many candidates focused on issues that were not relevant or they had been specifically told in the question were	Remember this exam focuses on risks of material misstatement. Review answers to practice questions



### Take note

Note that this table is based on the examiner's reports for June 2016, March 2016, December 2015 and September 2015 – if you are sitting exams from December 2016 you may find some different references.

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Reference	Theme	Context	What to do differently next time
J16, M16 General comments	Producing a list of everything known about a topic	Too many candidates focused on the minutiae of a point and produced a list of everything they knew about a topic, whether relevant or not while missing the wider implications of the issue in hand.	Exams at this level are at the higher end of learning skills, and require such skills as analysis, evaluation, assessment, decision making, critical analysis and discussion. They require application of knowledge rather than repetition of textbook material.
J16 Q2		Candidates are reminded that at this level answers need to be responsive to the question requirements and should not simply be an exercise in reproducing everything that they know about a topic.	The exam is not about how much you know but more about what you can do. So, when practising questions ask yourself whether you are producing a list of knowledge or actually applying that knowledge by assessing what the verb in the requirement is asking you to do and making sure you are using the scenario provided.
S15 Q2		There is still a temptation for candidates to revert to producing a generic list of rote learnt points without taking into account that some of these may not be relevant.	
M16 Q1	Differentiating between business risks and audit risks	Disappointingly, many candidates were unable to differentiate between business risks and audit risks.	<p>This is a key knowledge area for the exam. Review the relevant text book chapters for this area and practice questions related to it.</p> <p>Review the article <a href="#">Exam technique for P7</a> which looks at this specifically as it is recognised that students find this area challenging.</p>
M16 Q1	Focussing on irrelevant issues	Many candidates focused on issues that were not relevant or they had been specifically told in the question were not material.	Remember this exam focuses on risks of material misstatement. Review answers to practice questions focussing on this area specifically and ensure that you are not producing unnecessary points.
S15 Q1		In general this was well attempted although some candidates failed to calculate and conclude on the materiality of these risks which is a key part of demonstrating that risks of MATERIAL misstatement are being identified.	When comparing your answer to the model answer provided, look at any points you have included in your answer that are not in the model answer and ask yourself why you have included them.



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Reference	Theme	Context	What to do differently next time
J16 Q1	Methodical approach	The best answers demonstrated that a methodical approach had been applied to the information in the scenario, and strong candidates had clearly worked through the information logically, calculating the key ratios and trends from the information provided, identifying the risk factors from the calculations and the remaining information, assessing materiality before going on to explain the risk fully and specifically in terms of how the risk could impact the financial statements.	When practising questions make sure you take a logical approach to gain maximum marks.  For each risk factor you have identified check you have assessed materiality and explained each point fully in terms of any impact on the financial statements.
M16 Q1		The best answers demonstrated that a methodical approach had been applied to the information in the scenario, and the better candidates had clearly worked through the information logically, identifying the risk factors, assessing materiality before going on to explain them fully and specifically in terms of how the risk could impact the financial statements.	
M16 Q1	Using the scenario	Most candidates were able to identify some of the procedures that would be required but in many cases produced a generic list of audit procedures which had not been linked the question. Candidates are reminded that at this level answers must be specific and tailored to the scenario provided.	It is absolutely crucial at this level that you use the scenario given rather than just regurgitating knowledge – this is a key skill and must be practised in the run up to the exam.
D15 General comments		At this level candidates are required to apply their knowledge to specific scenarios rather than state a generic point.	Read through every question you practise to ensure you have used the scenario. Ask yourself whether you have referred to the name of the organisation and the people referred to as well as pulled out relevant points to answer the question specific to the case in question.
D15 Q1		Candidates are again reminded to read the question carefully and consider the context of the scenario both in terms of client history and timeframe before answering the question.	On completing the question skim through the scenario and check you have used the majority of the information provided - if not go back to your answer and ensure you bring in the relevant points from the scenario.
S15 Q2		Candidates are again reminded that they must answer the question that is presented and it is expected that the answer points provided are specific and relevant to the details of the scenario.	



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Reference	Theme	Context	What to do differently next time
J16 Q1, M16 Q1	Professional marks	There were four professional marks available and most candidates were able to earn the presentation marks by providing a clear introduction and conclusion and using headings to create an appropriate structure for their answer. Many candidates did not articulate their points in a clear or logical order and therefore many missed out on the logical flow and clarity marks.	Review the video <a href="#">Professional marks – the difference between a pass and a fail</a> to ensure you know how to make sure you get the four professional marks available in this exam.
D15 Q1		Presentation was not always good and candidates are reminded to pay attention to determining an appropriate layout for their answer.	Assess your own answers to check that they are logical, in the correct format and consist of short sentences and paragraphs with plenty of space.  In planning your answer try to think about the structure you will use as well as the technical content.
M16 Q3	Not reading the requirements	In both parts numerous candidates demonstrated poor exam technique and diverted into highlighting what would be included in the audit report which was not required.	As you read the requirement start to draw up a plan for your answer. Make a note of the verb used in the requirement and how many constituent parts there. Note down the mark allocation too so you are clear on how much detail is needed.  The plan should also tell you the headings you need to use in your answer. As long as you stick to your plan you will make sure you are answering the question that has been set.
D15 General comments		A common reason for poor marks in this exam is failing to read and remain focused on the requirement in order to provide specific relevant answers	
S15 Q1		This again emphasises the importance of careful reading of the requirement and candidates should again ensure that they read the question carefully and consider and plan the points that should be covered to score the marks available before writing.	
J16 Q5	Insufficient depth and detail	Candidates who were unaware of the recent IAASB project in relation to auditing disclosures struggled to provide any depth to their points and candidates are again advised to take an active interest in current issues affecting the profession.	Ensure you keep abreast of developments in the profession through a regular review of relevant journals.  As a general rule try to write three short sentences for each of the points referred to in your answer. The first sentence should identify the point; the second should explain the point and then the third should relate that point to the scenario.
J16, M16 Conclusion		As stated in the conclusion to the previous examiner's report, almost all candidates are able to identify at least some relevant issues to a particular requirement from the scenario, but not all can adequately explain, discuss or describe their points in sufficient depth or detail.	
D15 General comments		Writing too little for the marks available; failing to develop points beyond simple identification of facts given in the question. Answers often lacked the detailed evaluation and assessment of the issues identified that is required at this level.	

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Reference	Theme	Context	What to do differently next time
J16, M16 Conclusion	Knowledge of financial reporting	Candidates are also reminded that it is important to have good knowledge of financial reporting, and further they must be able to link this to the appropriate audit issues that arise in the question scenarios.	Review the article <a href="#">Underpinning knowledge for the audit papers</a> to ensure you are clear on the financial reporting knowledge needed to support this exam.
D15 General comments		A good understanding of both audit and financial reporting issues is required in order to perform well in this exam so candidates who are able to discuss both these elements demonstrate more effective application and analytical skills.	
D15 Q1		Those able to identify specific areas of the financial statements which would be affected and to correctly identify whether the risk was an over or understatement tended to score the strongest marks.	
D15 Q3		Candidates preparing for this examination should bear in mind that a strong knowledge of financial reporting is crucial to the ability to audit financial statements and the ability to audit the appropriateness of disclosures made in the financial statements is a very topical issue.	
D15 Q2	Using the mark allocation	Candidates are again reminded to use the mark allocation as a guide for the level of depth of analysis that is required to score the available marks.	The marks awarded in this exam are very clear. You will obtain a mark for every well-made point you include – which means you need to identify the point, explain it and relate it to the scenario.
S15 General comments	Application	Time management and presentation were generally well evidenced however some weaker candidates attempted to present answers in a columnar format. This typically scores fewer marks as these answers more often than not lack the depth and application that is needed at this level.	Review model answers to past exam questions and note how they are laid out to achieve depth and application.
S15 Q3	Effective planning	More effective planning, prior to writing, would allow candidates to demonstrate a better understanding of these connections.	Always plan your answer before starting to write – this is a key skill which you must practise when preparing for this exam.

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### Step 3 – Where did you go wrong?

Have you identified where you went wrong last time?

- ☐ Lack of knowledge
- ☐ Poor exam technique
- ☐ A combination of the two

If you really are not sure, then assume it was a combination of the two, and move on to the next section where we will help you to plan the time between now and your retake.



#### Take note

Now you need to be honest with yourself and think about which of the statements in the table at step 2 reflect where you may have gone wrong.

Use the space below to note down which of these areas you think could be the reason you failed last time you sat P7.

Some of the points are related to exam technique and some are about a lack of knowledge.

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### Step 4 – How to change your approach

**Having identified where you think you went wrong you now need to do something about it!**

As you will have seen from the retake guide, the key to changing your approach and improving your chances of success next time is to practise questions. This is absolutely vital.



#### Take note

Refer back to the statement(s) you included at step 3 and compare this (these) to the table we provided at step 2. Make a note below of 'What to do differently next time' based on the statement(s) reflecting where you went wrong last time. So, for example if you have noted down

*Producing a list of everything known about a topic*

At Step 3 above, then note down below

*Exams at this level are at the higher end of learning skills, and require such skills as analysis, evaluation, assessment, decision making, critical analysis and discussion. They require application of knowledge rather than repetition of textbook material.*

*The exam is not about how much you know but more about what you can do. So, when practising questions ask yourself whether you are producing a list of knowledge or actually applying that knowledge by assessing what the verb in the requirement is asking you to do and making sure you are using the scenario provided.*

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## And finally...

For further guidance and tips around how to improve your chances of success with your retake, return now to the retake guide.

### Reflect – Other hints to help you understand where you went wrong



#### Tips for success

##### Join events in the ACCA Learning Community

- ✓ ACCA regularly hosts events in the Learning Room which you can access via the Learning Community. These are planned around your exams and cover technical topics as well as more general exam technique.

##### Take advantage of any new resources provided specifically for you, to help you with your retake

- ✓ ACCA is continually producing new resources developed specifically to help you pass your exam whether it be the first time or a retake, so keep an eye on [Student Accountant](#), and the [technical articles](#) on the website (where you will find not only specific syllabus areas covered but also exam technique articles and study support videos).
- ✓ If you haven't done so already make sure you have personalised your edition of [Student Accountant](#) to ensure you receive advice specific to your exam.



#### Why did you fail?

##### Marginal fail?

- ✗ If you scored a marginal fail (between 45% and 49%) last time it is likely that you failed because of poor exam technique.

##### Very low mark?

- ✗ If you scored a very low mark (perhaps under 25%) last time then it is more likely that your mark is due to lack of knowledge.

##### Did you struggle to come up with answers?

- ✗ It's more likely to be a lack of knowledge if you felt that you were either guessing answers or had struggled to come up with ideas.

##### Did you run out of time?

- ✗ It's more likely to be poor exam technique if you ran out of time, perhaps missing out whole questions or parts of questions or not finishing the exam.

REFLECT

PLAN

QUESTION  
PRACTICE

FINAL TIPS

APPENDIX  
- LINKS