

Think Ahead



Prepare to pass

A guide to help
you if you are
studying

Advanced Audit
and Assurance

P7

Prepare to pass

Welcome to your guide helping you to study for your P7 exam

Why use this guide?

- ✓ Structured approach to show you how to succeed
- ✓ Signposted resources and how to use them
- ✓ Tips for success to help you through your studies
- ✓ Interactive clickable checklists to keep you on track

This guide applies to exams for September and December 2016 and March and June 2017.

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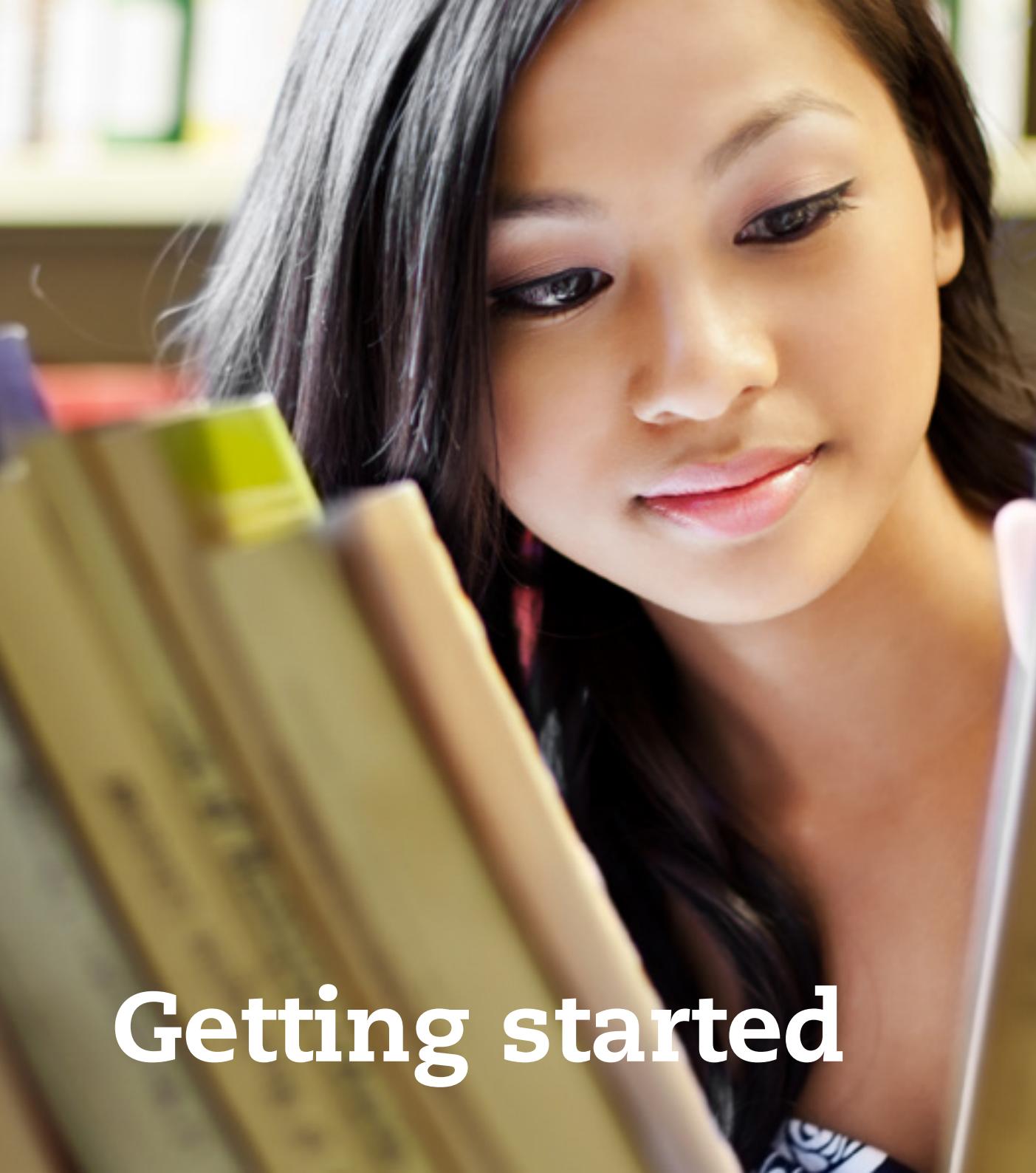
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Stages of study



Getting started

Your checklist

- Enter for your exam
- Buy an Approved Content Provider study text and question and answer bank
- Draw up your study plan
- Get to know your exam

Getting started – Tips for success



Tips for success

We strongly recommend that you buy a P7 [Approved Content Provider](#) study text and question and answer bank to ensure exam success. These provide:

- the most up to date content and syllabus coverage.
- tests, quizzes and other support designed to help you prepare for your exam.
- past exam questions updated for changes to the syllabus, question style and exam format as well as practice questions and answers and full mock exams to ensure you are fully prepared for your exam.

You may want to consider attending a face to face or online tuition course with one of ACCA's [Approved Learning Providers](#) for all or part of your studies.

- ✓ The earlier you [enter for your exam](#) the less it costs! Use our [exam planner tool](#) to plan which exam(s) you want to sit and when.
- ✓ Use the [ACCA Learning Community](#) to link up with fellow students around the world studying the same exam as you – get tips, join discussions and share ideas and advice. You can also access live Q&A sessions and presentations.
- ✓ Spend some time familiarising yourself with the free resources available via the [exam resource finder](#) on the [student section](#) of the ACCA website – we will provide you with specific guidance on when and how to use these resources during the relevant stages of study.
- ✓ Remember to personalise your edition of Student Accountant so you receive P6 specific information as you need it.
- ✓ Consider working through the [professional skills modules](#) either before you start, or alongside your studies. These modules give you insight into professional skills that you can apply in your exam or in the workplace.

Exempt from F8?

- ✓ Make sure you have the assumed knowledge needed from F8 for P7 (see [P7 syllabus and study guide](#)).
- ✓ If you feel your knowledge is lacking, consider buying an F8 [Approved Content Provider](#) study text to refresh your understanding.

When drawing up your study plan (see page 5)

- ✓ Be realistic and consider when you are best able to study – maybe early mornings work better for you or perhaps shorter, more frequent study periods.
- ✓ Once you have prepared your plan stick to it!
- ✓ Consider building in an extra study period after every few chapters to review and consolidate your learning.
- ✓ Take a 5-10 minute break every hour to help maintain your motivation and concentration.
- ✓ Use this plan whether you intend to self-study through all the phases or mix with some tuition from an [Approved Learning Provider](#).

Getting started – Draw up your study plan

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 1	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 2	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 3	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 4	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 5	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 6	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 7	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 8	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 9	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 10	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 11	REVISION						
Week 12	REVISION						
Week 13	REVISION						
Week 14	REVISION						
Week 15	REVISION						
Week 16	REVISION AND FINAL PREPARATION						

Evening study period

Daytime study period

Other commitments

Study plan checklist

- Calculate the number of weeks from now until your exam date and draw up a plan – see the example to the left and a possible proforma for you to use on the next page
- You may need to add or take away weeks depending on your own circumstances and which exam sitting(s) you are focusing on
- Block out days/half days/ evenings already committed to family/social events
- Plan study periods – evenings/ half days/full days, aiming for roughly one evening/half day per chapter of your study text
- If possible leave a six week period for the revision and final preparation phases

Getting started – Your study plan

Print out and write down when you will study, relax and revise!

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 1							
Week 2							
Week 3							
Week 4							
Week 5							
Week 6							
Week 7							
Week 8							
Week 9							
Week 10							
Week 11					REVISION		
Week 12					REVISION		
Week 13					REVISION		
Week 14					REVISION		
Week 15					REVISION		
Week 16					REVISION AND FINAL PREPARATION		



Getting started – Get to know your exam

- Review the [syllabus and study guide](#) and the [examinable documents](#) for P7
 - These give you an understanding of the aims and objectives of the exam, learning outcomes and exam structure as well as a comprehensive list of the documents examinable for the current exam sittings
- Scan the most recent [past exam](#) for P7
 - The most recent exam provides you with a clear picture of how P7 will be assessed and how the exam is structured as well as the likely style and range of questions that you could see in the real exam
- Review the [examining team's guidance](#)
 - Using these resources at the start of your studies will help you understand the focus of the exam by concentrating on the exam structure, question style, exam technique and tips as well as pitfalls to avoid – see an extract from the examiner's approach article over the page
- Review the [examiner's reports](#) from the last four sittings
 - These provide feedback on students' performance after each exam session, highlight problem areas that students need to improve on and tell you what the examining teams are looking for; these are critical to your success in passing P7
- Read the exam technique articles for P7
 - The articles – [Underpinning knowledge for the audit papers](#), [Exam technique for P7](#), [How to tackle exams - a marker's perspective](#), [Passing the professional level papers](#), [How to tackle audit and assurance case study questions - part 1](#) and [Audit and assurance case study questions - part 2](#) – will provide you with a head start in terms of knowing what to expect and how to approach exam standard questions

Getting started – What the examiner has said about P7 (extract from the examiner's approach article)



Comments on the key objectives of the syllabus

The building blocks of a successful audit or assurance engagement are thorough planning and risk assessment. Therefore, these areas will continue to be examined in every sitting, and are likely to form part of at least one of the compulsory questions. **Candidates should be aware that 'planning' covers a wide variety of topics, and does not just mean 'risk assessment'.**

For more clarity in this area it is essential to read the *Syllabus and Study Guide* in order to appreciate the breadth of the syllabus in relation to 'planning'. Also bear in mind that 'planning' is not restricted to the planning of an audit, but could relate to the planning of an assurance or non-audit engagement. It has become apparent that candidates learn a topic, such as planning, within the context of an audit engagement but are then often unable to apply their knowledge of that same topic to a different type of assignment.

The exam is called *Advanced Audit and Assurance* for a reason, and an inability to tackle scenarios involving assurance or non-audit work will adversely affect exam performance.

At each sitting, candidates should also expect to see - in the compulsory section of the exam - requirements relating to evidence gathering. Requirements are likely to focus on specific assertions, and specific financial statement balances or transactions, and could be set in the context of an audit or an assurance engagement.

For an example of the type of wording that is likely to be used, see Question 2(c) of the *Pilot Paper*. When asked to explain 'matters to consider' for an audit of financial statements, candidates should be aware that one of the key matters to consider is whether the relevant accounting standard has been adhered to.

Ethics and professional issues are also important areas within the syllabus, likely to feature in every sitting, either in Section A or Section B. In today's climate, auditors are often called upon to justify their ethical status and it is important that candidates are regularly tested in this area. Candidates may see the ethics question as an 'easy pick', but it is important to appreciate that ethics is not just about independence but also covers ethical issues such as conflicts of interest and confidentiality, as well as fraud and error, and professional liability

”



Learning phase

Your checklist

- Work through the control sheet which has been designed to give you a structured approach to your learning phase to ensure you:
 - gain the knowledge you need; and
 - learn how to apply that knowledge to pass the exam

Learning phase – Get the most out of your control sheet

Use the control sheet relevant to the Approved Content Provider's materials you have purchased:

- ✓ Becker Professional Education – page 12
- ✓ BPP Learning Media – page 14
- ✓ Kaplan Publishing – page 16

Tick the box **Content in the control sheet once you have:**

- ✓ Read through the introduction to the chapter
- ✓ Actively read and understood each chapter's content
- ✓ Noted any additional commentary and exam focus tips provided
- ✓ Worked through and understood examples and illustrations of concepts given

Tick the box **Quiz/Test in the control sheet once you have:**

- ✓ Attempted the quiz at the end of the chapter (if you are using Becker or BPP material) or the test your understanding questions throughout the chapter (if you are using Kaplan material)

Tick the box **Questions in the control sheet once you have:**

- ✓ Attempted the questions referred to in the question bank – some of these you should do in full but others you can just draw up a plan for, depending on the time you have available
- ✓ Compared your answer, or plan, with the solution given and understood where you did well or not so well and why

Tick the box **ACCA related resources in the control sheet once you have:**

- ✓ Read / viewed the related ACCA article(s) / video(s) signposted
- ✓ Note that ACCA produces new articles and videos throughout the year and so you should always check the **technical articles** page on the website to ensure you have seen all of the related resources

Learning phase – Tips for success



Tips for success

- ✓ Actively read the material – ask yourself 'do I understand this?' If not re-read and re-work examples – if you still struggle, make a note and come back to it during the revision phase.
- ✓ Scan headings before going into the detail to give you an idea of the content first and consider highlighting, underlining, making notes, drawing pictures or mind maps – whatever helps you to remember.
- ✓ Consider using the additional resources provided by the [Approved Content Providers](#) including for example passcards or pocket notes to help you remember the key knowledge areas.
- ✓ Always work through the questions signposted – it is vital that you practise questions throughout the learning phase as this will ensure that you are applying the knowledge you learn as you progress.
- ✓ Make sure you use the ACCA resources to help your understanding – these give you real insight to help you in your exam.
- ✓ If you find you are not covering all of the material in each study period, build some extra time into your study plan – everyone works at a different pace.
- ✓ Keep an eye on Student Accountant for any relevant articles.
- ✓ Visit the ACCA Learning Community regularly to view new video content and to join online study events.
- ✓ There are [PER \(Practical Experience Requirement\) objectives](#) associated with specific syllabus areas and, if possible, you should try to gain experience in these alongside your studying as this will help you to put your studies into a workplace context and reinforce what you have learned.
- ✓ Try to read a good quality business journal or newspaper regularly and use this to help bring your studies to life by linking your learning into what you are reading.

Learning phase – Control sheet for Becker Professional Education

Chapter	Content	Quiz/Test	Questions	ACCA related resources
✓ tick the boxes below when complete				
Introduction				
1 Regulatory environment				<ul style="list-style-type: none"> • Laws and regulations
2 Money laundering				
3 Code of ethics for professional accountants				<ul style="list-style-type: none"> • Professional scepticism • Staying on the right side of ethics • Tackling P7 questions on ethics • Massaging the figures • ISA 240 (redrafted) – auditors and fraud
4 Professional responsibility and liability				<ul style="list-style-type: none"> • Auditor liability
5 Quality control				<ul style="list-style-type: none"> • Audit quality – a perpetual current issue
6 Professional appointments				<ul style="list-style-type: none"> • Acceptance decisions for audit and assurance engagements
7 Business risk				
8 Planning, materiality and risk				<ul style="list-style-type: none"> • The control environment of a company • Planning an audit of financial statements
9 Evidence				<ul style="list-style-type: none"> • Using the work of internal auditors • ISA 315 (revised), identifying and assessing the risks of material misstatement through understanding the entity and its environment • Auditing in a computer-based environment • Analytical procedures • Audit risk • Examining evidence • Audit working papers
10 Evaluation and review				<ul style="list-style-type: none"> • Completing the audit • Audit of estimates and fair values • Going concern • The importance of financial reporting standards to auditors
11 Audit of financial statements				
12 Group audits				<ul style="list-style-type: none"> • Group auditing • Group audit issues
13 Assurance services				<ul style="list-style-type: none"> • Continue to be rest assured

12 When watching the study support videos, focus at this stage on the technical aspects – you will watch these again during the revision phase and at that point you will be able to focus more on the exam technique aspects.

Learning phase – Control sheet for Becker Professional Education (continued)

Chapter	Content	Quiz/Test	Questions	ACCA related resources
✓ tick the boxes below when complete				
14 Reviews and related services				
15 Prospective financial information				<ul style="list-style-type: none"> • Audit and insolvency
16 Forensic audits				<ul style="list-style-type: none"> • Forensic accounting • Forensic auditing
17 Outsourcing				
18 Auditor's reports				<ul style="list-style-type: none"> • A matter of opinion • Study support video: Matters to consider when delivering a valid audit opinion
19 Communicating with those charged with governance				<ul style="list-style-type: none"> • Auditors' reports to those charged with governance
20 Current issues and developments				
Further ACCA resources relevant for this exam				<ul style="list-style-type: none"> • Accounting issues • Performance information in the public sector

13 When watching the study support videos, focus at this stage on the technical aspects – you will watch these again during the revision phase and at that point you will be able to focus more on the exam technique aspects.

Learning phase – Control sheet for BPP Learning Media

Chapter	Content	Quiz/Test	Questions	ACCA related resources
✓ tick the boxes below when complete				
Introduction				
1 International regulatory environments for audit and assurance services				<ul style="list-style-type: none"> • Laws and regulations • The importance of financial reporting standards to auditors
2 Codes of ethics and conduct				<ul style="list-style-type: none"> • Professional scepticism • Staying on the right side of ethics • Tackling P7 questions on ethics
3 Professional liability				<ul style="list-style-type: none"> • Auditor liability
4 Quality control				
5 Obtaining and accepting professional appointments				<ul style="list-style-type: none"> • Acceptance decisions for audit and assurance engagements
6 Planning and risk assessment				<ul style="list-style-type: none"> • The control environment of a company • Planning an audit of financial statements • ISA 315 (revised), identifying and assessing the risks of material misstatement through understanding the entity and its environment
7 Evidence				<ul style="list-style-type: none"> • Using the work of internal auditors • Auditing in a computer-based environment • Analytical procedures • Audit risk • Examining evidence • Audit working papers
8 Evaluation and review (I)				<ul style="list-style-type: none"> • Going concern
9 Evaluation and review (II) – matters relating to specific accounting issues				<ul style="list-style-type: none"> • Audit of estimates and fair values
10 Evaluation and review (III) – matters relating to specific accounting issues				<ul style="list-style-type: none"> • Massaging the figures • ISA 240 (redrafted) – auditors and fraud • Completing the audit
11 Group audits and transnational audits				<ul style="list-style-type: none"> • Group audit issues • Group auditing
12 Audit-related services and other assurance services				<ul style="list-style-type: none"> • Continue to be rest assured
13 Prospective financial information (PFI)				<ul style="list-style-type: none"> • Audit and insolvency
14 Forensic audits				<ul style="list-style-type: none"> • Forensic accounting • Forensic auditing

14 When watching the study support videos, focus at this stage on the technical aspects – you will watch these again during the revision phase and at that point you will be able to focus more on the exam technique aspects.

Learning phase – Control sheet for BPP Learning Media (continued)

Chapter	Content	Quiz/Test	Questions	ACCA related resources
✓ tick the boxes below when complete				
15 Social, environmental and public sector auditing				• Performance information in the public sector
16 Internal audit and outsourcing				
17 Reporting				• Auditors' reports to those charged with governance • Study support video: Matters to consider when delivering a valid audit opinion • A matter of opinion
18 Current issues				• Audit quality – a perpetual current issue
Further ACCA resources relevant for this exam				• Accounting issues

15 When watching the study support videos, focus at this stage on the technical aspects – you will watch these again during the revision phase and at that point you will be able to focus more on the exam technique aspects.

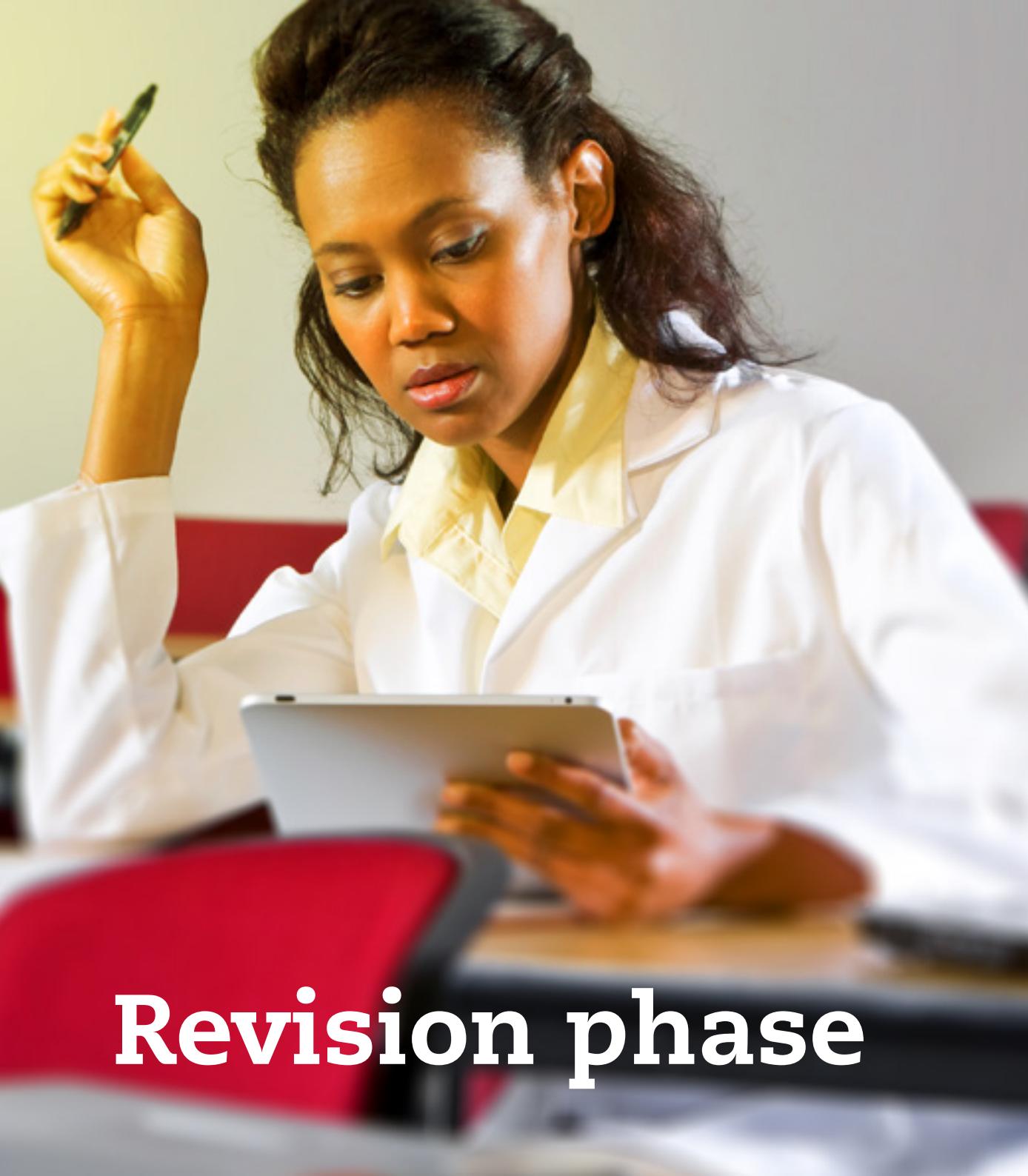
Learning phase – Control sheet for Kaplan Publishing

Chapter	Content	Quiz/Test	Questions	ACCA related resources
✓ tick the boxes below when complete				
Introduction				
1 Regulation in a global economy				<ul style="list-style-type: none"> • Laws and regulations
2 Code of ethics and conduct				<ul style="list-style-type: none"> • Staying on the right side of ethics • Tackling P7 questions on ethics
3 Professional appointments				<ul style="list-style-type: none"> • Acceptance decisions for audit and assurance engagements
4 Quality control				<ul style="list-style-type: none"> • Audit quality – a perpetual current issue
5 Advertising, publicity, obtaining professional work and fees				
6 Tendering				
7 Money laundering				
8 Professional responsibilities and liabilities				<ul style="list-style-type: none"> • Auditor liability • Massaging the figures • ISA 240 (redrafted) – auditors and fraud
9 Planning, materiality and assessing the risk of misstatement				<ul style="list-style-type: none"> • Professional scepticism • The control environment of a company • Planning an audit of financial statements
10 Group and transnational audits				<ul style="list-style-type: none"> • Group auditing • Group audit issues
11 Evidence				<ul style="list-style-type: none"> • Using the work of internal auditors • ISA 315 (revised), identifying and assessing the risks of material misstatement through understanding the entity and its environment • Auditing in a computer-based environment • Analytical procedures • Audit risk • Examining evidence • Audit working papers
12 Completion				<ul style="list-style-type: none"> • Completing the audit • Audit of estimates and fair values • Going concern • The importance of financial reporting standards to auditors
13 Auditor's reports				<ul style="list-style-type: none"> • A matter of opinion • Study support video: Matters to consider when delivering a valid audit opinion

16 When watching the study support videos, focus at this stage on the technical aspects – you will watch these again during the revision phase and at that point you will be able to focus more on the exam technique aspects.

Learning phase – Control sheet for Kaplan Publishing (continued)

Chapter	Content	Quiz/Test	Questions	ACCA related resources
✓ tick the boxes below when complete				
14 Reports to those charged with governance				<ul style="list-style-type: none"> • Auditors' reports to those charged with governance
15 Other assignments				<ul style="list-style-type: none"> • Continue to be rest assured
16 Prospective financial information				<ul style="list-style-type: none"> • Audit and insolvency
17 Audit of social, environmental and integrated reporting				<ul style="list-style-type: none"> • Performance information in the public sector
18 Forensic audit				<ul style="list-style-type: none"> • Forensic accounting • Forensic auditing
19 Outsourcing and internal audit				
20 UK syllabus only: auditing aspects of insolvency				
21 INT syllabus only: audit of performance information in the public sector				
22 Financial reporting revision				
Further ACCA resources relevant for this exam				<ul style="list-style-type: none"> • Accounting issues



Revision phase

GETTING
STARTED

LEARNING
PHASE

REVISION
PHASE

FINAL
PREPARATION

THE EXAM

APPENDIX
– LINKS

Your checklist

- Revisit areas you struggled with during the learning phase
- Ensure you are confident with the knowledge needed to pass the exam
- Make sure you are able to apply that knowledge in questions

Revision phase – Question practice

- ☐ Exam-standard question practice is vital now
- ☐ Work through as many questions as possible and all mock exams included in the *Approved Content Provider* question and answer banks – remember these are best for question practice as they include past exam questions updated for syllabus and format changes
- ☐ Work through the most recent *past exam for P7* – this will provide you with a clear picture of what the exam will look like making sure you know what to expect on the day



Tips for success

- ✓ Consider blocking time in your study plan for specific questions or mock exams to ensure you cover everything.
- ✓ Don't be afraid to attempt questions you have already done – especially the ones you found tricky first time round.
- ✓ It is really important that you do some questions in full, to exam time – time management is often an issue and the more you prepare yourself the better you will perform in the exam.
- ✓ To keep motivation high, break some questions into individual parts, write plans or notes for some parts and do others in full.
- ✓ Work through the answers carefully – pay attention to areas you got wrong and understand where you went wrong – it is better to do a few questions well, than lots of questions badly.
- ✓ Try not to look at the answers before really attempting the question – you won't be able to do this in the real exam!
- ✓ Don't forget to review the marking guide too – you need to understand how marks are allocated to ensure you know how to maximise your marks.

Revision phase – Key resources

- Review the [examining team's guidance](#) again in the context of what you have learnt
- Remind yourself of areas that students often struggle with and obtain tips on how to ensure you do not make the same mistakes by reviewing the [examiner's reports](#) from the last four sittings again
- View the study support video referred to in your control sheet again – this time focusing on the exam technique aspects
- View the study support videos – [Planning, risk and audit procedures](#), [Risk assessment and audit procedures](#) and [Professional marks - the difference between a pass an a fail](#) to better prepare you for questions in the real exam
- Read the exam technique articles – [Underpinning knowledge for the audit papers](#), [Exam technique for P7](#), [How to tackle exams - a marker's perspective](#), [Passing the professional level papers](#), [How to tackle audit and assurance case study questions - part 1](#) and [Audit and assurance case study questions - part 2](#) again – this time using the techniques to help you practice questions
- Make sure you read the [study skills articles in Student Accountant](#) covering topics such as how to overcome exam anxiety as well as checking the Student Accountant Hub for any new technical articles related to P7



Tips for success

- ✓ Don't give up easily – if you really cannot understand something then consider posting a question on the ACCA Learning Community – if you found it difficult so will have others.
- ✓ Don't forget there are [professional skills modules](#) which you might find useful in giving you some practical guidance when answering questions.

Revision phase – What the examiner has said about P7 (extract from the December 2015 examiner's report)



Comments on Question 1

This question followed the pattern of previous examinations and was set at the planning stage of the audit/assurance cycle and covered risks, audit procedures and other information required.

Candidates were required to provide an analysis of audit risks for a manufacturer of bespoke and generic machines. **Performance on this requirement was good** with the majority of candidates correctly describing audit risks rather than business risks. This is an area that most candidates are well prepared on, however **stronger answers were able to develop and apply the relevant accounting treatment**. Those able to identify specific areas of the financial statements which would be affected and to correctly identify whether the risk was over or understatement tended to score the strongest marks. A significant minority of candidates thought that the client was new to the firm as opposed to simply having a change in manager and spent time addressing opening balances and new client procedures which were not relevant to the question. 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.

Candidates were further required to provide additional information needed to effectively plan the audit and candidates showed a marked improvement over previous sittings where this requirement has been examined. This type of question requires candidates to identify information that would be available in advance of the audit that would assist in the planning of the audit. Such information would generally help in the identification or evaluation of risks rather than the information available at the year-end for performing audit procedures. This is particularly relevant as the question was set almost a month prior to the year-end so financial statements and year-end balances would not yet be available.

Candidates were further required to provide audit procedures for the valuation of work in progress (WIP) and a government grant. With respect to the former, candidates often cited the need for an expert to value WIP rather than focusing on the components of cost and NRV in the machines. Similarly, there were a number of candidates who requested written representations from management on WIP despite the figure not being an issue where the knowledge was confined to management or one of management's intentions. Candidates are once again reminded that a **written representation is not a suitable substitute for sufficient appropriate evidence**. The audit procedures relevant to the grant were generally well described.

There were four professional marks available, and most candidates secured most of these marks by providing an introduction and using headings to create an appropriate structure for their answer. However, presentation was not always good and candidates are reminded to pay attention to determining an appropriate layout for their answer.





Final preparation

Your checklist

- You are clear on the knowledge you need to pass the exam as well as how to apply that knowledge
- You have the skills you need to pass the exam – eg time management

Ensure you are familiar with:

- the exam format
- the style of questions
- the way the marks are allocated
- what specific syllabus areas are likely to be tested and in which questions

Final preparation – Tips for success



An extract from the **syllabus and study guide for P7**

Questions in both sections will be largely discursive. However, candidates will be expected, for example, to be able to assess materiality and calculate relevant ratios where appropriate.

Section A questions will be based on 'case study' type questions. That is not to say that they will be particularly long, rather that they will provide a setting within a range of topics, issues and requirements can be addressed. Different types of question will be encountered in Section B and will tend to be more focussed on specific topics, for example 'auditor's reports', 'quality control' and topics of ISAs which are not examinable in F8, Audit and Assurance. (This does not preclude these topics from appearing in Section A). Current issues will be examined across a number of questions.



An extract from the **P7 June 2015 exam marking guide**

Question 1(b)

Evaluation of audit risk

Generally up to 1½ marks for each point discussed, and 1 mark for each calculation of materiality.

- Management bias due to recent stock market listing – pressure on results
- Management bias due to owner's shareholding – incentive to overstate profit
- Management lacks knowledge and experience of the reporting requirements for listed entities
- Weak corporate governance, potential for Dougal to dominate the board
- Revenue recognition – should the revenue be deferred
- Revenue recognition – whether deferred income recognised over an appropriate period
- E-commerce (allow up to 3 marks for discussion of several risks factors)
- Foreign exchange transactions – risk of using incorrect exchange rate
- Forward currency contracts – risk derivatives not recognised or measured incorrectly
- Portfolio of investments – risk fair value accounting not applied
- New team dealing with complex issues of treasury management
- EPS – incorrectly calculated (allow 3 marks for detailed discussion)
- EPS – risk of incomplete disclosure
- Rapid growth – control risk due to volume of transactions
- Profit margins – risk expenses misclassified (also allow 1 mark for each margin correctly calculated with comparative)
- Development costs – risk of over-capitalisation of development costs
- Inventory – year-end counts already taken place, difficulties in attending inventory counts
- Opening balances (give mark here if not given in (a) above)

Maximum marks 17



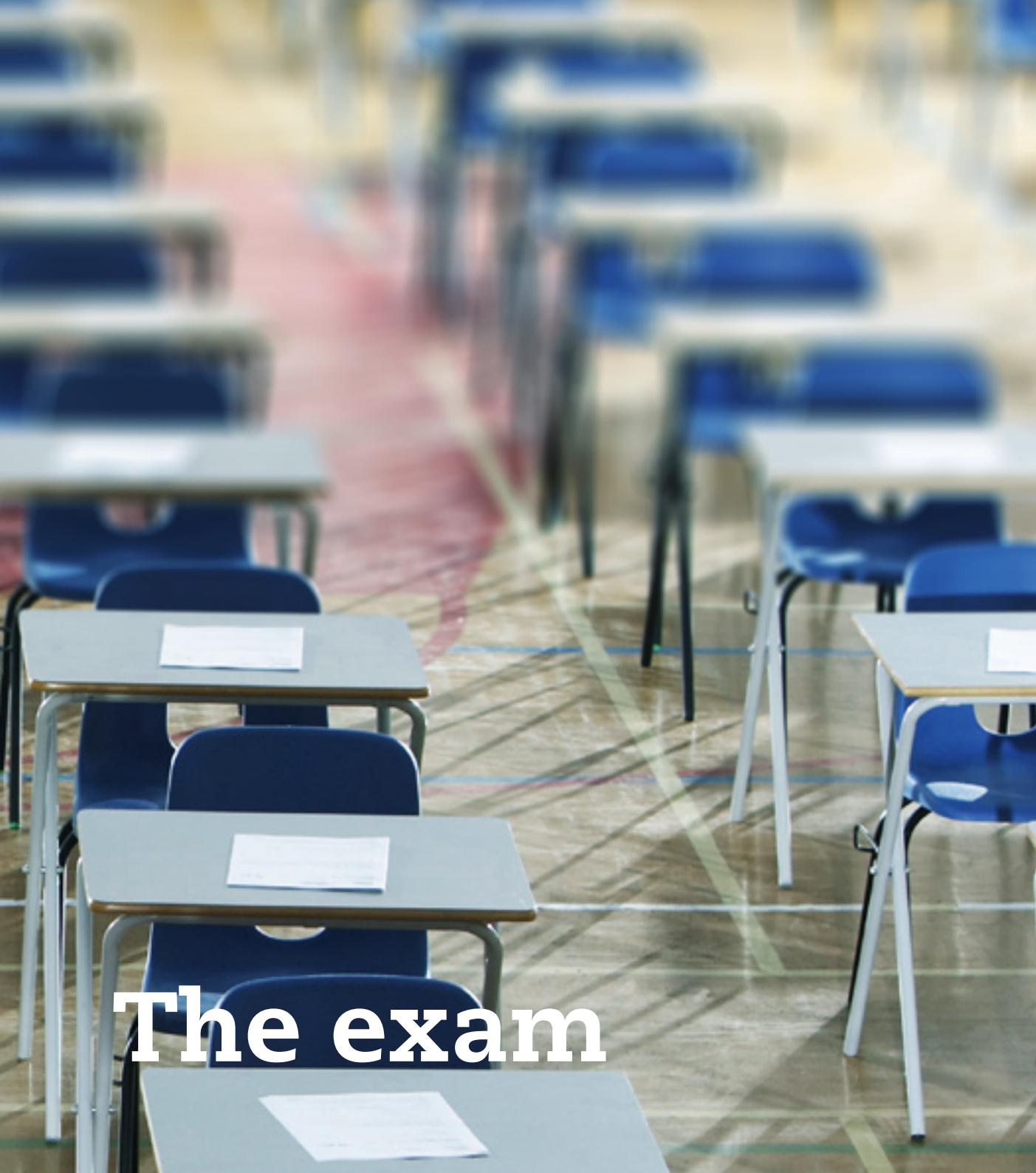
Final preparation – Tips for success



Tips for success

- ✓ Go over questions again that you found difficult during the revision phase and make sure you attempt at least one mock again in full to time.
- ✓ If you are unsure about the exam format, the style of questions or what specific syllabus areas are likely to be tested in which questions, read the [syllabus and study guide](#) again.
- ✓ If you are not sure about how the marks are allocated review the most recent [past exam for P7](#) again.

The exam



Your checklist

- Make sure you are ready to walk into your exam

The Exam – Tips for success



Tips for success

Very few students enjoy taking exams but there are things you can do to make the experience less stressful!

- ✓ Identify where the exam hall is.
- ✓ Plan your route to the exam hall, considering the time of day you will be travelling and any potential issues.
- ✓ Have in place a back-up plan in case of traffic problems or public transport delays.
- ✓ Ensure you have all the equipment you need for

the exam (black pens, calculator etc).

- ✓ Try not to get into discussions with fellow students just before the exam about what might come up – again this will only cause you stress.
- ✓ Don't forget to take your exam docket with you as well as your student identification.
- ✓ Eat properly before you leave for the exam.
- ✓ Sleep properly – do not spend the night before doing last minute late night revision – you will perform so much better if you are alert and well rested (and in any case, last minute revision will only cause you to panic!).

Once the exam is over:

- ✓ Relax.
- ✓ Don't over analyse – you cannot change anything now!

Good
Luck!

Appendix – Links

Appendix – Links

Page No.	Link	URL
04	Enter for your exam	http://www.accaglobal.com/gb/en/student/acca-qual-student-journey/exams/enter-an-exam.html
04	ACCA Learning Community	https://www.accalearningcommunity.com/
04	Exam planner tool	http://www.accaglobal.com/gb/en/student/exam-entry-and-administration/enter-an-exam/exam-planner.html
04	Exam resource finder	http://www.accaglobal.com/gb/en/student/exam-support-resources.html
04	Student section	http://www.accaglobal.com/gb/en/student.html
04	Approved Learning Provider(s)	http://www.accaglobal.com/gb/en/student/your-study-options/learning-providers.html
04, 07, 24	Syllabus and study guide	http://www.accaglobal.com/gb/en/student/exam-support-resources/professional-exams-study-resources/p7/syllabus-study-guide/p7-international-int-syllabus-study-guide.html
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07, 20	Examining team's guidance	http://www.accaglobal.com/gb/en/student/exam-support-resources/professional-exams-study-resources/p7/examiners-reports.html
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07, 20	Exam technique article: Underpinning knowledge for the audit papers	http://www.accaglobal.com/gb/en/student/exam-support-resources/professional-exams-study-resources/p7/technical-articles/f8-p7.html
07, 20	Exam technique article: Exam technique for P7	http://www.accaglobal.com/gb/en/student/exam-support-resources/professional-exams-study-resources/p7/technical-articles/p7-technique.html
07, 20	Exam technique article: Passing the professional level papers	http://www.accaglobal.com/gb/en/student/exam-support-resources/professional-exams-study-resources/p1/technical-articles/passing-the-professional-level-papers.html
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07, 20	Exam technique article: How to tackle audit and assurance case study questions – part 1	http://www.accaglobal.com/gb/en/student/exam-support-resources/professional-exams-study-resources/p7/technical-articles/how-to-tackle-audit-and-assurance-case-study-questions.html
07, 20	Exam technique article: How to tackle audit and assurance case study questions – part 2	http://www.accaglobal.com/gb/en/student/exam-support-resources/professional-exams-study-resources/p7/technical-articles/how-to-tackle-audit-and-assurance-case-study-questions---part-2.html
10	Technical articles	http://www.accaglobal.com/gb/en/student/exam-support-resources/professional-exams-study-resources/p7/technical-articles.html

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12, 14, 16	Using the work of internal auditors	http://www.accaglobal.com/gb/en/student/exam-support-resources/fundamentals-exams-study-resources/f8/technical-articles/internal-auditors.html
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