

The image features the ACCA logo, which consists of the letters 'ACCA' in a bold, white, sans-serif font. The text is centered within a solid red square. This red square is set against a black background, and the entire composition is enclosed within a thin, gold-colored border.

ACCA

F3, Financial Accounting

Nicola Ventress

F3 Financial Accounting

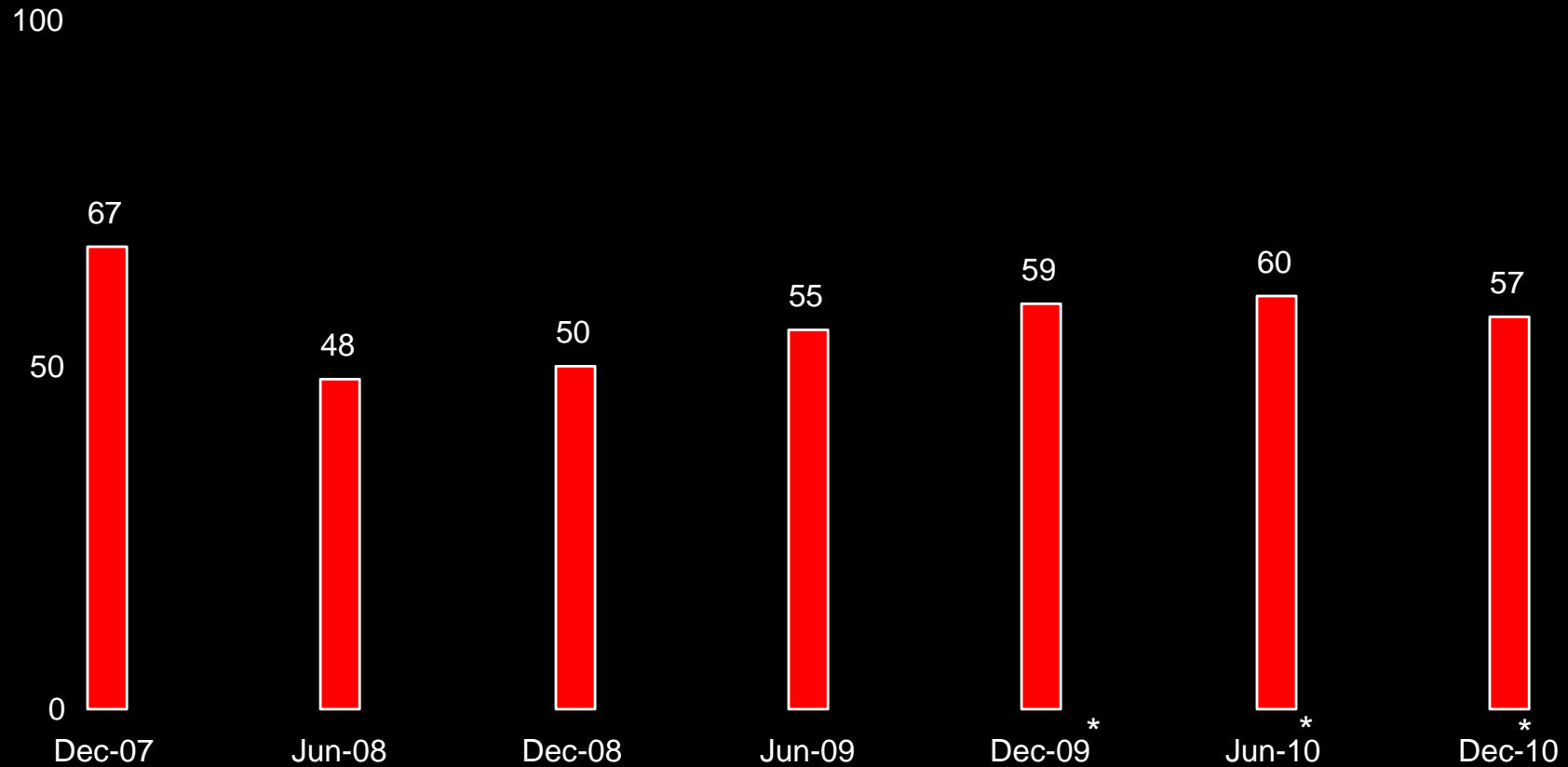
This presentation aims to cover:

- a review of past exam performance
- areas where students do well
- areas that students find difficult
- areas to focus on going forward
- the development of the qualification in the future



REVIEW OF PAST EXAMS

F3 Pass rates



* Amalgamated results for paper based and CBE exams

**WHAT WAS
DONE WELL?**

WHAT WAS DONE WELL?

Areas of the syllabus were answered well include:

- recording double entry transactions
- documentation of accounting transactions
- preparation of control accounts
- basic non-current asset transactions
- use of accounting equation
- accounting concepts / qualitative characteristics



**WHAT WASN'T
DONE WELL?**

WHAT WASN'T DONE WELL?

Areas that were consistently answered badly included:

- Revaluation of non-current assets
- Partnership accounts
- Statements of cash flows
- Treatment of errors
- Provisions
- Intangible assets



**LESSONS
LEARNED**

LESSONS LEARNED

Students must study the breadth of the syllabus

Practice questions

Attempt full questions in the following areas:

- accounts preparation
- partnerships
- statements of cash flows

Don't forget theoretical aspects of syllabus e.g. Framework

**WHICH AREAS
NEED TO BE
IMPROVED?**

HOW TO IMPROVE?

Focused question practice - combination of MCQ and full questions on accounts preparation questions

Pay attention to trickier areas - partnerships, cash flow, revaluations, errors and suspense accounts

Ensure accounting standards in syllabus are reviewed - especially changes in accounting policy, intangible assets, non-current assets and provisions.

Revision should include lots of question practice

Review examiner's reports on ACCA website

TYPICAL ERRORS

Students should ensure that they:

- Read the question carefully and do what the question asks for
- Finish the question and be careful not to select the distracter that represents the penultimate stage of the calculation
- Pay attention to the number of years or months in a calculation
- Check the dates given in the question very carefully

**WHERE CAN
TUITION
PROVIDERS
HELP?**

Tuition providers can:

- Ensure coverage of syllabus
- Assist learning with long examples of preparation of financial statements
- Encourage question practice



**FOCUS ON
FUTURE
EXAMS**



WHAT'S NEW?

FOUNDATIONS IN ACCOUNTANCY

- From December 2011, the F3 paper will become part of the new Foundations in Accountancy (FIA) qualification
- It will replace CAT Paper T6, so there will be one paper for both T6 and F3
- This new paper will be known as FFA Financial Accounting and will be the final accounting paper in the FIA qualification and remain as the first accounting paper under the ACCA Professional Scheme.
- There are syllabus changes and structural changes to the existing F3 paper
- More information can be found at www.accaglobal.com/students/fia



**FUTURE
CHANGES**

SYLLABUS CHANGES

The key changes are:

- Removal of partnership accounting
- Addition of small section on regulatory requirements and governance in the preparation of financial statements
- New section - Preparing Simple Consolidated Financial Statements covering:
 - simple consolidated statements of financial position and income statement including basic adjustments for intercompany trading, unrealised profit and fair values
 - define / describe key terms in group accounting
 - define / identify an associate and its accounting treatment

SYLLABUS CHANGES (continued)

New section - Interpretation of Financial Statements

- calculation of key accounting ratios (profitability, liquidity, efficiency and position)
- interpretation of ratios
- describe the purpose of interpretation

Only INT paper offered from December 2011

SYLLABUS OVERVIEW

A Context and purpose of financial reporting

B Qualitative characteristics of financial information

C The use of double entry and accounting systems

H Interpretation of financial statements

D Recording transactions and events

G Preparing simple consolidated financial statements

F Preparing basic financial statements

E Preparing a trial balance



STRUCTURAL CHANGES

Currently, F3 is examined as 50 MCQs (40 2-mark and 10 1-mark questions) in a 2 hour exam

FFA will be examined as follows:

- Transitional stage for December 2011 - 50, 2-mark multiple choice questions
- Future examination sittings:
 - 35, 2-mark multiple choice questions
 - 2 15 mark long questions
- 15 mark long question on consolidated financial statements and preparation of financial statements including interpretation
- The exam will remain as a 2 hour exam



THANKS

