



PURPOSES

To provide a review of performance in examinations to date

To identify areas on which to focus in forthcoming examination sessions

To explain how the examination will evolve in the future

THE F4 PAPER

The legal system

The law of obligations

Employment law

Formation and constitution of business organisations

Capital and financing

Company management and administration

Companies in difficulties or in crisis

Governance and ethical issues

The syllabus is broad-based and comprises EIGHT sections. As there are ten questions on the paper, it can be assumed that the questions on each paper will be spread across the majority of syllabus areas.

Most but not all questions are specific to one syllabus area.

THE F4 PAPER

10 questions in 3 hours, 15 minutes reading time

Questions 1-7 are knowledge-based

Questions 8-10 are applications-based scenarios

All questions must be answered

The paper is three hours in duration, which means that candidates will have a maximum of 18 minutes to answer each question. However, allowing for thinking, planning and checking time, in practice candidates will have less than 15 minutes to write each answer.

Questions 1-7 test knowledge. Special attention should be given to the precise requirement in these. Answers that focus on the precise question are more effective than broad-based answers that go beyond the scope of the question.

Questions 8-10 are scenario-based and test the candidates ability to apply their knowledge to the situation.

It should be stressed that all questions carry equal marks.



REVIEW OF PAST EXAMS

**WHAT WAS
DONE WELL?**

STRENGTHS

High pass rate since the paper was introduced and satisfactory standard in most areas of the syllabus

Initial fall in pass rate when F4 first introduced

Particular strengths:

- Legislation and the courts system
- Personal representation (eg capacity, power of attorney)
- Employment law
- Company formation and constitution

Generally, the pass rate has been consistently high since the F4 paper was introduced. The pass rate for the first sitting of this paper was lower than that for the last sitting of paper 2.2 under the old syllabus. This can be attributed to candidates having difficulties with two particular questions (corporate governance; tort), and also to the new requirement that all questions on the paper had to be answered. Under the old syllabus candidates could avoid areas of greater difficulty by choosing eight questions from an available twelve questions.

STRENGTHS

- Benefits of different types of company
- Share and loan capital
- Basics of insolvency
- Questions requiring hard facts on company law, management and administration

Candidates have demonstrated greater strength on company law questions and those on general law which can be answered by explaining the provisions of specific laws and codes.

**WHAT WASN'T
DONE WELL?**

WEAKNESSES

Applications of contract law to given scenarios

Torts, particularly applying the provisions of the Civil Code to non-contractual obligation scenarios

Contracts of commission (only recently a problem area)

Partnerships

Corporate governance

Generally, focusing answers on the precise requirement in questions 8-10

In common with other paper F4 variants, candidates perform better on questions 1-7, which require recall of knowledge, than on questions 8-10, which require application and understanding. There is a tendency for candidates to write too broadly on the general topic identified from the requirement. Some candidates score less well than they should because they write too much on areas that are not directly relevant to the question.

Although questions on non-contractual obligations are quite common, candidates are often unsure of the relevant laws.

Historically, questions on contracts of commission have been answered well, but this was not the case in December 2008.

Partnerships are less common in Russia than in western Europe, so it is perhaps understandable that candidates are less confident on this topic.

Corporate governance questions tend to focus on those elements of law that reinforce good corporate governance rather than the general best practices in corporate governance. Answers often deal with the latter at great length, with less attention to the requirement.

WEAKNESSES - SPECIFICS

Long introductions before getting to part (a) of the question – these are generally unnecessary

Lack of focus on the main problem to be tackled

Identifying a key term in the question and writing as much as possible about the topic in general without answering the question set

Gearing the length and depth of the answer to the number of marks available

Assuming that questions 8-10 require longer answers than questions 1-7

Long introductions are generally unnecessary, so where questions are sub-divided candidates are encouraged to go straight into the section that they wish to address first.

Lack of focus is a major problem for some candidates. There is great benefit in identifying the precise verb in the question and writing a focused answer on the requirement.

Candidates are also encouraged to consider the weighting of marks in questions that are sub-divided, allocating time on a pro rata basis..



LESSONS LEARNED



**WHAT TO
FOCUS ON?**

APPROACH

This is a FUNDAMENTALS level paper

Candidates want to be accountants, not lawyers

Therefore, the syllabus is broad but does not require excessive depth

...so it is necessary to know SOMETHING about each topic within it, without pursuing a comprehensive knowledge of all topics

There are EIGHT main headings in the syllabus and TEN questions on the paper – each paper will have questions appropriately spread

For ease of reference when working the past papers, questions 1-7 are always in syllabus order

The purpose of the paper is to provide a broad knowledge and understanding of the law relevant to modern accountants. It therefore requires a broad but relatively shallow approach to the syllabus.

Candidates are encouraged to know SOMETHING about each area and not to pursue a detailed knowledge of individual topics at the expense of others.



**HOW TO
IMPROVE?**

HOW TO IMPROVE?

Rudimentary knowledge of ALL areas required; do not over-concentrate on any single area

Quite often, one substantial relevant point is worth one mark – see marking schemes

Quality, not quantity, wins good marks every time

Focus on the precise requirement in the question, avoiding pre-prepared answers – some submissions are unnecessarily long due to this

Time management is an issue for some candidates – an answer should not take longer than 18 minutes to write

Work a wide range of questions across the whole syllabus

Work different types of question – look at the verb

Past papers for F4, and for old paper 2.2, provide useful revision and also guidance on the style and scope of typical questions. Old paper 2.2 Q & As are available on the accaglobal.com website. It should be noted that some topics included on old paper 2.2 are no longer examinable and that some topics are included in F4 that were not previously examined.

Quality answers will always score better than those that put volume before substance. In particular, some very high scores have been obtained by candidates who write little more than one side of A4 for each question.

Time management can be a problem for some candidates. One effective technique is to deliberately limit the time on each question, perhaps allowing a few more minutes for stronger questions. However, it is generally not good practice to submit less than ten answers.



**FOCUS ON
FUTURE
EXAMS**



WHAT'S NEW? WHAT MAY CHANGE?

Remember the policy on legislation enacted within a short time of the examination – familiarise yourself with ACCA policy on this

Generally, new legislative initiatives and developments are not tested until the study materials take account of them

Approximately 7-8 questions on each paper will be highly predictable if the student works past Q & As for F4 and old paper 2.2, except for those subject areas not carried over to F4

Candidates will earn credit for knowledge of changes to codes and federal laws where they are relevant to questions

It is acknowledged that there are few direct study resources available to candidates, so examination papers tend to offer a generous period for authors of study materials to catch up with new legislation. Candidates should familiarise themselves with the new ACCA policy on this.

The paper will not offer nasty surprises in the near future, and any candidate who has skimmed past papers and answer guidelines will benefit from these.

Where a recent development is not examinable but the candidate uses such information to support an answer, appropriate credit is given.



