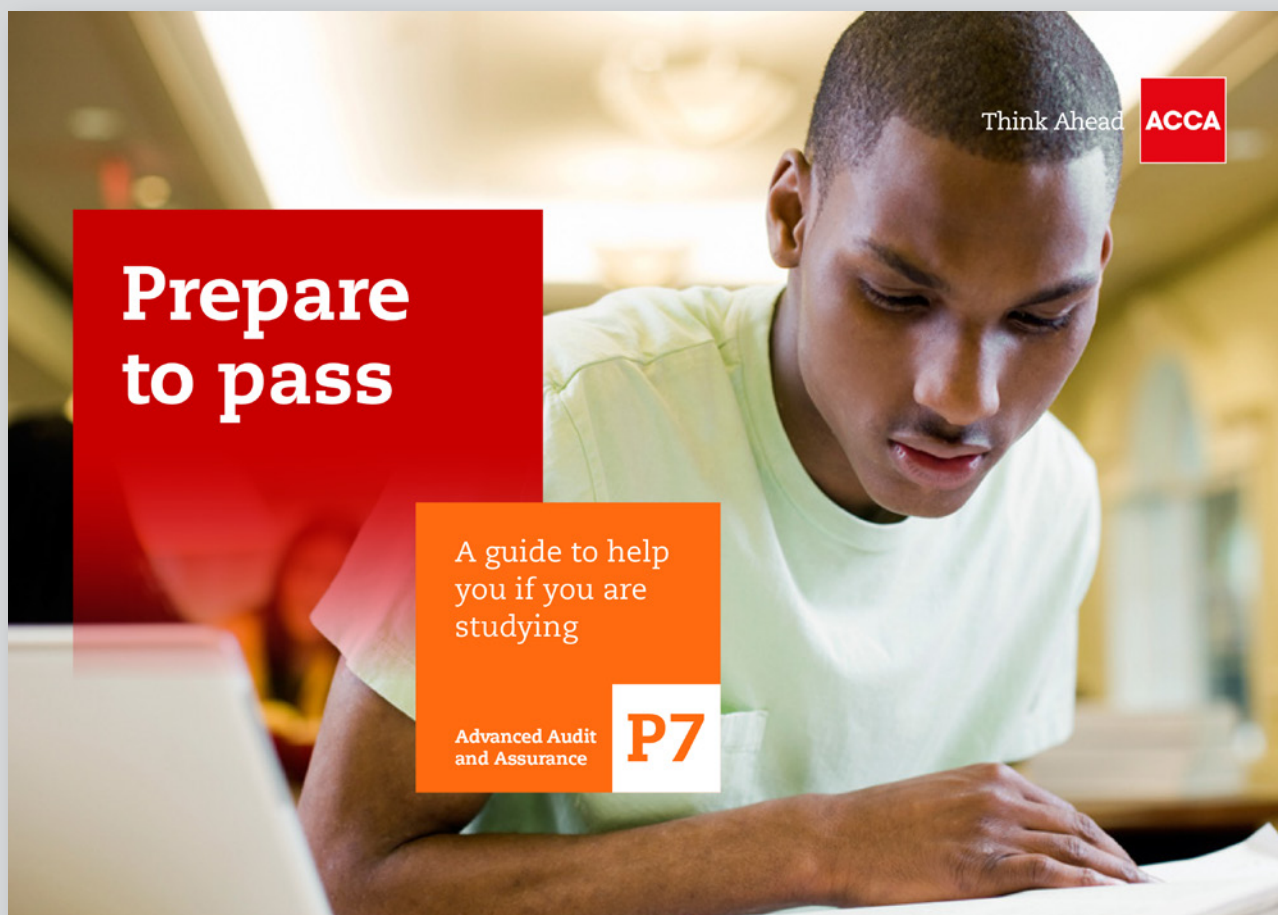


Think Ahead

ACCA



P7 Advanced Audit and Assurance – a guide to using the examiner's reports

ACCA's self-study guide for P7 is a fantastic resource designed especially to help you if you are taking 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.

P7 Advanced Audit and Assurance – a guide to using the examiner's reports

Part of getting started is getting to know your exam and we recommend that you use the examiner's reports as a resource here.

In addition, when you come to the revision phase we strongly recommend that you come back to these reports and look at them in more detail.

Home > Students > Exam resources > Professional level > P7 Advanced Audit and Assurance

P7 GUIDANCE FROM THE EXAMINING TEAM

RELATED LINKS

- [Video: Five minutes with the P7 examining team](#)
- [P7 examiner's approach article](#)
- [P7 examiner's approach interview](#)
- [Adobe Reader](#)

The examiners' reports are an essential study resource. Read them to learn about mistakes that students commonly make in exams and how to avoid them. The guidance articles and interviews set out the general approach to the syllabus and the exam, and provide tips on how to improve your exam performance.

EXAMINER'S REPORTS

EXAMINER'S GUIDANCE

EXAM SUPPORT RESOURCES

Return to the exam resource finder to locate other materials to help with your studies

[SEARCH EXAM RESOURCES](#)

WHY CHOOSE THIS PAPER?

SYLLABUS AND STUDY GUIDE

EXAMINABLE DOCUMENTS

EXAMINING TEAM GUIDANCE

SELF-STUDY GUIDES

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P7 examiner's report - June 2016

PDF 49KB

Last updated: 18 Jul 2016

You can access the examiner's reports for P7 by clicking on the image above. 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!



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 when you are revising for 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 exam you need to try to avoid the pitfalls that have led to students failing P7.

What are we going to do now?

In this document we are going to show you how to use the examiner's reports as part of your revision phase.

P7 Advanced Audit and Assurance – a guide to using the examiner's reports

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



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.

P7 Advanced Audit and Assurance – a guide to using the examiner's reports

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.

P7 Advanced Audit and Assurance – a guide to using the examiner's reports

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 over the following pages 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 'How to avoid the pitfalls' and we will talk about this in Step 3.

Reference	Theme	Context	How to avoid the pitfalls
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 Exam technique for P7 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.

P7 Advanced Audit and Assurance – a guide to using the examiner's reports

Reference	Theme	Context	How to avoid the pitfalls
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 Exam technique for P7 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	How to avoid the pitfalls
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	How to avoid the pitfalls
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 Professional marks – the difference between a pass and a fail 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	How to avoid the pitfalls
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 Underpinning knowledge for the audit papers 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 – Question practice

The key to passing P7 is question practice. Make sure you refer to the self-study guide for hints and tips but keep in mind what the examiner's reports have said. You want to try to avoid the pitfalls so use the advice given in the table at step 2 when practising your 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.