

Think Ahead

ACCA



P4 Advanced Financial Management – a guide to reflection for retake students

ACCA's retake guide for P4 is a fantastic resource designed especially to help you if you are retaking P4. 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...

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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 P4 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 P4.

- ✓ 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 how to earn the full professional marks available in each question.

Examiner's report

P4 Advanced Financial Management
June 2016



General Comments *(from paragraph 3 of the report)*

Like a senior financial person at work, a candidate is expected to read a business brief in the form of an exam question carefully, take notes and decide on a relevant methodical approach to meeting the brief's objectives. Senior management work under scheduled deadlines, and hence prioritising and good time management is crucial to performing well under examination conditions. Business reports and proposals are expected to be succinct, professionally written and easy to read with clear headings and conclusions. A candidate, who does not demonstrate this approach, will fail to earn the full professional marks that are easily available in question one.



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:

Professional marks

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 General comments	Professional marks	Business reports and proposals are expected to be succinct, professionally written and easy to read with clear headings and conclusions. A candidate, who does not demonstrate this approach, will fail to earn the full professional marks that are easily available in question one.

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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 and M16 General comments	Professional marks	Business reports and proposals are expected to be succinct, professionally written and easy to read with clear headings and conclusions. A candidate, who does not demonstrate this approach, will fail to earn the full professional marks that are easily available in question one.	Listen to the study support video Professional marks – the difference between a pass and a fail to ensure you know how best to ensure you obtain these marks in the exam. Also read the article How to earn professional marks which will provide further guidance.
M16 Q1		It was disappointing that many candidates did not draft their answers in a discussion paper format, with a title heading, a brief introduction of its objectives, clearly headed workings and concluding comments.	
D15 and S15 Q1		Many candidates did not draft their answers in a report format, with a brief introduction, appendices and conclusion. Some candidates did not follow any report format and the overall structure and presentation was not neat and therefore these candidates gained few or no professional marks.	
M16 Q1	Assumed knowledge	Candidates struggled to explain how this purchasing power parity relationship may affect a company's cash flows, a topic introduced in F9. Knowledge of hedging using forward contracts is at F9 level, yet quite a number of candidates were unable to apply the right forward exchange rate.	Make sure you are comfortable with the assumed knowledge from F9 applicable to P4. Read the article Stepping up from Paper F9 to Paper P4 and if there are gaps in your knowledge review the relevant sections of an F9 study text.



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 and M16 General comments M16 Q1 D15 and S15 Q1	Professional marks	<p>Business reports and proposals are expected to be succinct, professionally written and easy to read with clear headings and conclusions. A candidate, who does not demonstrate this approach, will fail to earn the full professional marks that are easily available in question one.</p> <p>It was disappointing that many candidates did not draft their answers in a discussion paper format, with a title heading, a brief introduction of its objectives, clearly headed workings and concluding comments.</p> <p>Many candidates did not draft their answers in a report format, with a brief introduction, appendices and conclusion. Some candidates did not follow any report format and the overall structure and presentation was not neat and therefore these candidates gained few or no professional marks.</p>	<p>Listen to the study support video Professional marks – the difference between a pass and a fail to ensure you know how best to ensure you obtain these marks in the exam.</p> <p>Also read the article How to earn professional marks which will provide further guidance.</p>
M16 Q1	Assumed knowledge	<p>Candidates struggled to explain how this purchasing power parity relationship may affect a company's cash flows, a topic introduced in F9.</p> <p>Knowledge of hedging using forward contracts is at F9 level, yet quite a number of candidates were unable to apply the right forward exchange rate.</p>	<p>Make sure you are comfortable with the assumed knowledge from F9 applicable to P4. Read the article Stepping up from Paper F9 to Paper P4 and if there are gaps in your knowledge review the relevant sections of an F9 study text.</p>
M16 Q1 D15 and S15 Q1	Volume of information in the scenario	<p>Many candidates were not able to see and extract the information relating to the dividend valuation model.</p> <p>The question's scenario was complex and required candidates to undertake a number of detailed calculations and discuss the issues thereon. Therefore, it was essential that candidates managed the volume of information provided effectively, in order to provide coherent and detailed answers.</p>	<p>As with all the Professional level exams you must use the information given in the scenario. As you work through it, highlight and underline the key points which you plan to use in your answer.</p>

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Reference	Theme	Context	What to do differently next time
J16 Q1	Lack of application	Common discursive errors included articulating very simplistic assumptions, whereas at the professional level candidates need to be able to demonstrate a clear link with the scenario instead of just repeating a pre-prepared list of assumptions.	Once you have completed an answer, skim through the scenario to ensure that you have used the majority of the information contained within it – if you have not you may not have applied your knowledge sufficiently.
J16 Q2		Weaker answers just provided lists of advantages and disadvantages without considering the responses in terms of relevance to the question scenario.	Read the exam technique article How to tackle exams from a marker's perspective for further pointers on this area.
M16 Q3		Candidates whose discussion was based on mergers in general, scored fewer marks.	
D15 Q4		It seems that a number of candidates struggle to apply knowledge to non-standard situations and scenarios. The ability to apply knowledge to non-standard situations requires a sustained study by candidates over a longer time period.	
M16 Q3	Reading widely	A number of candidates would have received more marks if they had gone on to discuss the additional information required, drawing their knowledge from having read business journals and magazines widely.	Ensure you read Student Accountant – in particular the articles relating to P4.
S15 Q1		On the whole the answers to part b) iii) were unsatisfactory given that an article on this topic area was published in a recent Student Accountant article.	Aim to read the business pages of a good quality newspaper on a regular basis as well as appropriate business journals. These will help you to consolidate the knowledge from your studies and understand better how that knowledge can be applied to real world examples.
D15 Q1	Lack of knowledge – management buy in	Many candidates confused a management buy-in with a management buy-out.	Review this area of the syllabus carefully and practise questions covering the topic to consolidate your knowledge.

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Reference	Theme	Context	What to do differently next time
J16 Q3	Reading the requirements	A number of candidates also decided to calculate the gain/loss of the acquisition, although this was not asked for in the question.	Read the requirements for every question you attempt very carefully – highlighting the verbs used and underlining any key information given, for example, timelines.
D15 Q1		A number of candidates correctly estimated the value created from tax savings and redundancies made, but many then took these to perpetuity. The narrative of the question set a time limit for these savings at four years.	Review the content of the exam technique article Passing the professional level papers in detail.
S15 Q1		A number of candidates wasted time in calculating the cost of capital which was already given in the question.	
S15 Q2		However, a number of candidates did not read the question carefully and used Euros instead of dollars as the currency of settlement.	
S15 Q2		A number of candidates did not follow the settlement instructions given in the question and hence earned fewer marks than if they had read the question more carefully.	
D15 Q1	Not using the right verb	The written elements tended to be explanatory rather than discursive, and therefore did not gain the full marks here.	Make sure you understand what the commonly used verbs mean. Take a look at the Student Accountant article Answering the Question for more help in understanding the verbs used in exam questions.
J16 Q2	Study the full syllabus	Similar to question one, part (b) it seems that candidates considered this part of the syllabus to be a minor area and had not studied it in detail. They therefore did not know how to approach answering this question.	Ensure you have covered the entire syllabus for P4. You cannot afford to miss any areas out.
D15 Q1		This suggests that a number of candidates did not study the full P4 syllabus and became stuck on a relatively straightforward question.	Review all of the technical articles and study support videos for P4 as these cover the areas that students typically find challenging.
D15 Q2	Need to justify conclusions	The discussion element of part (a) gained fewer marks, as a number of candidates just presented a conclusion but did not discuss the concerns around the figures in sufficient detail.	You must always justify your answers in P4 – think about the pros and cons and present both sides of an argument before coming to a conclusion.

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Reference	Theme	Context	What to do differently next time
D15 Q4	Lack of knowledge – securitisation	Candidates who had studied the reasons for undertaking a securitisation arrangement and associated risk did well, but some candidate's answers demonstrated a lack of knowledge and understanding of this area.	Ensure your knowledge of this area is consolidated by reading through the article Securitisation and tranching .
S15 Q2	Lack of knowledge – hedging	Even though questions on hedging are regularly tested for P4, a number of candidates are not able to attempt these types of question satisfactorily.	Make sure you review this area of the syllabus in detail and practise related questions.
S15 Q2 S15 Q3	Calculations	Other candidates made simple calculation errors. It is worth reminding candidates that occasionally as in this part of the question, there are marks available for relatively straight forward calculations without needing to apply complex techniques, when they use the information in the question carefully.	Take your time working through the calculations, taking a logical and measured approach. Don't lose marks by not checking your answers – you don't need to redo every calculation but sense-check once you have completed a calculation to make sure it looks reasonable. However, be careful not to spend too long on a question, watch the clock and move on to the next question when the allocated time for that question has passed.
S15 Q4	Answers too narrow	Many answers focussed on one particular area or point and hence limited their ability to earn marks. Although this was perhaps the easiest part of this question, many candidates failed to discuss more than one or two issues to earn high marks.	At Professional level you must be able to demonstrate breadth of knowledge. When planning your answer think through all of the implications related to the requirement to ensure you answer the question as fully as possible.

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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 P4.

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

Professional marks

At Step 3 above, then note down below

Listen to the study support video [Professional marks – the difference between a pass and a fail](#) to ensure you know how best to ensure you obtain these marks in the exam.

Also read the article [How to earn professional marks](#) which will provide further guidance.

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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