

## Advance Level Corporate Reporting PiL Tutor Conference 2024 Highlights

2 February 2024, ICAEW, London

### Agenda

1. **Overview of CR** - the technical and skills progression from professional level
2. **Syllabus changes** - a summary of syllabus changes relating to the further integration of sustainability in the qualification.
3. **Data analytics software** - a brief recap of the inflo software and how it is used in the Corporate Reporting examination.
4. **Candidate performance at CR in 2023** - Examination of pass rates, qualitative feedback highlighting areas of strength and need for improvement.
5. **November N23 CR exam** – review of the questions and the use of the Advance information for question 2.
6. **Advice for candidates** - key areas of weakness and strengths covering the use of the exam software spreadsheet and warning about using the open book.

### Syllabus and Learning Materials Updates

**Exam Format and Contents:** No changes to the exam 2024 - remains 3.5 hours and 3 questions

**Syllabus changes highlighted:** Deletions for items covered by other learning outcomes or covered in earlier papers were identified. Amendments highlighted to focus more on sustainability impacts on the audit process and on the financial reporting topics. Examples were given of how sustainability is examinable at CR (see Slide 22). Examiners confirmed that for 2024, candidates would not be asked the detail disclosure requirements for particular industries in relation to sustainability. Sustainability is not a new topic at CR – scenarios have been set already in the exams which relate to a sustainability risk or opportunity. For example, Your Nature (N19) and Fair Footwear Ltd (N22).

**Data Analytics software:** most candidates attempt the DAS question however often marginal candidates have not engaged in the process. Complaints from candidates about 'inflo not working' " it's too slow" arise not because of the performance of the software but because the candidate has not been operating the exam software correctly. Using Alt/Tab to navigate between windows will fix most issues. ICAEW has prepared a series of short YouTube videos which address using the exam software and tutors were advised to encourage candidates to watch these. These will be available on the ICAEW website.

### 2023 Candidate Performance

- **Pass Rate Analysis:** A slight variation in pass rates between July and November, with July showing better performance.
- **Qualitative Feedback:** Candidates are often much stronger in the advanced level topics i.e. Q1 N23 - candidate performed better on the deferred tax elements of the question than the straight forward adjustment of current tax. Often candidates have very weak knowledge in the basics of double entry, provisions and PPE. Emphasised

again that progression is key and brought forward knowledge is essential to success at CR.

## **Q&A**

- **Questions from attendees:** Separate summary document of questions asked and answers provided is available.

## **Review of November 2023**

### Question 1

Candidates performed very well on this question – although as noted above it was the more straight forward elements which relied on brought forward knowledge that caused the most difficult – for example candidates would calculate the closing deferred tax liability but adjusted for the entire balance and not just the movement. Demonstrating a basic misunderstanding of double entry. Adjusting extracts from financial statements will be a recurring topic at CR as it assesses key assimilation, structuring and communication skills – CR is both a technical and skills based assessment. Examples of the types of errors candidates make are in the slides and [provided in a separate document.

### Question 2

An annotated version of the N23 Advance information showing the significance of the information is available to help tutors prepare candidates for the inflo question.

There was a discussion about how students should refer to entries in the DAS. Advice should be that the candidates should record sufficient detail to provide audit evidence. Simply providing a transaction ID is not enough - they should consider the appropriateness of the double entry and look at the wider picture and impact of transactions – for example, N23 the capitalising of costs as intangible – candidates are expected to explain the double entry of the particular transaction, apply judgement and not just list out the conditions for capitalisation

### Question 3

Missing brought forward knowledge on PPE and audit reporting left many candidates struggling to pass this question

## **Advice for candidates**

- Use the exam software appropriately – Alt/tab to switch windows – see YouTube videos
- Prepare using the Advance Information – it is a controllable element of the assessment.
- Use open book wisely and any prepared notes for question 2 – knowledge and copying from prepared notes will not gain marks – egregious examples are reported to ICAEW.