

Embracing  
change.  
Shaping  
futures.

Think Ahead

Train the Trainer

# Financial Reporting (FR)

To ensure that  
tutors feel confident  
that they can teach  
Financial Reporting  
effectively

Objective

## Learning outcomes

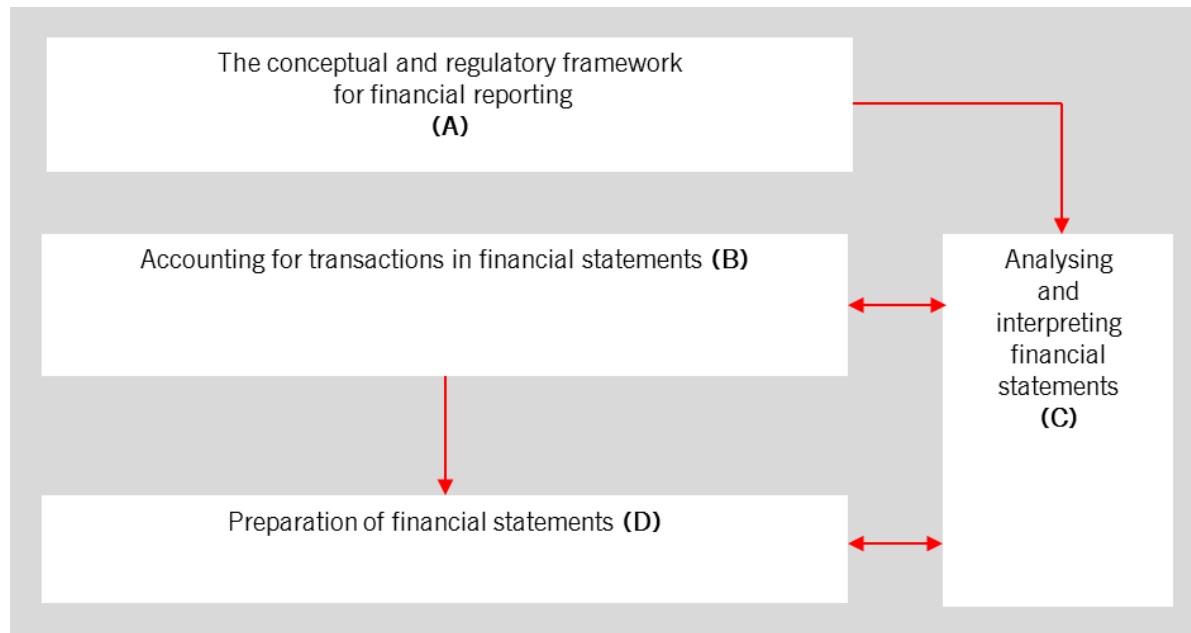
1. To build tutors' confidence in their expertise as Financial Reporting trainers
2. To provide assistance, suggestions and recommendations around how to teach Financial Reporting
3. To provide assistance, suggestions and recommendations around how to support students in revision and final preparation for Financial Reporting
4. To equip tutors in marking and giving feedback on Financial Reporting

## Learning outcome 1: To build tutors' confidence in their expertise as Financial Reporting trainers

1. **Knowing the exam**
2. ACCA support resources for Financial Reporting



# Overview of the syllabus



## Structure of the Financial Reporting exam

- Section A: 15 objective test questions (OT) worth 2 marks each
- Section B: 3 OT Case questions of 10 marks comprising of 5 x 2 mark OT questions
- Section C: 2 Constructed Response (CR) questions worth 20 marks each (expert marked)
- The CBE is **three** hours in duration

## Section A questions

- Questions can come from any area of the syllabus
- CBE exams will use a mix of question types e.g.
  - Multiple choice questions (MCQs)
  - Multiple response
  - Fill in the blank
  - Drag and drop
  - Drop down list
  - Hot spot
  - Hot area



## Section B questions

- Each OT Case will cover a topic from one main area of the syllabus although it may bring in small parts from another area of the syllabus too
- Individual questions within the OT Case will be independent
- Same mix of question types as in section A
- Mix of calculations and narrative

## Section C questions

- Two Constructed Response questions
- Only expert marked part of the exam
- One 20 mark question on preparation of financial statements
- One 20 mark question on interpretation

## Section C – preparation of financial statements

### Single entity

- Question could ask for an adjustment to profit or extracts rather than a full statement
- Cash flow element could be included

### Group

- Question asking for full detailed consolidated SPL and SFP together unlikely (though might be summarised)
- Could include discussion

## Section C – interpretation

### Single entity

- Questions could ask for redrafting figures before calculating ratios
- Generic statements unlikely to be awarded many marks

### Group

- Analysis more focused on group-related issues
- May involve production of some consolidated figures

## Problem areas – Section C

### All interpretation questions

- Candidates must **apply** their knowledge
- Must use information in scenarios

### Single company - interpretation

- Text book answer worth very little
- Candidates failing to use the information provided
- Lack of workings in ratio calculations

### Consolidated interpretations

- Answers sometimes ignore the consolidated aspect
- Discussion must focus on group aspects
  - Mid-year acquisitions
  - Fair value adjustments
  - Intra-group items
  - Fair value adjustments
  - Unrealised profits

## CBE focus

- Workings must still be shown – either in a separate calculation or in the cell
- Visiting the specimen and CR workspace is crucial
- Recommend students familiarise themselves with the CBE functionality in the CR workspace

## Learning outcome 1: To build tutors' confidence in their expertise as Financial Reporting trainers

1. Knowing the exam
2. **ACCA support resources for Financial Reporting**



## Education Hub

<https://educationhub.accaglobal.com/login/index.php>

## EducationHub

Welcome to the **Education Hub** – An online toolkit for ACCA tutors and learning partners. The hub gives you easy access to resources you need to that support your work in nurturing the next generation of professional accountants. Whether you are a tutor, a course administrator or the owner of your institution, we have an area dedicated to meet your needs.





## ACCA resources to support you and your students

- Syllabus and study guide
- Examinable documents
- Specimen Exam
- Sample questions from past exams (in English only. Available in Russian from June 2021)
- Examining team guidance
  - Examining team approach article
  - Examiner's reports
- All of the above resources in English can be found using the following link:  
<https://www.accaglobal.com/gb/en/student/exam-support-resources.html>
- The resources are also available in Russian using the following link:  
<https://www.accaglobal.com/russia/ru/qualifications/russian-language-advanced-diploma/Learningresources.html>

## ACCA resources to support you and your students cont.

- Technical articles
  - Technical topics
  - Study support videos
  - Exam technique articles
- Study support guides
- FAQs
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## ACCA Resources to support CBEs

- Guide to ACCA CBEs
- ACCA CBE specimen exams
- Constructed Response workspace
  - Use to extend question practice, or
  - To build word processing and spreadsheet skills
- All of the above resources in English can be found using the following link:  
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## Resources from Approved Content Providers to support your teaching

- Approved Content – study texts and revision question and answer banks
- Approved Teaching Resources:
  - Course notes
  - Revision notes
  - Teaching guidance
  - Course exams
  - Mock exams

The background is a photograph of a modern, illuminated bridge at night. The bridge has a series of white, curved arches that are lit up with blue and white lights. The bridge spans across a body of water, and the city lights of a city are visible in the distance. The overall scene is dark, with the bridge lights providing the main illumination.

# Questions Comments Feedback

To provide assistance,  
suggestions and  
recommendations around  
how to teach Financial  
Reporting

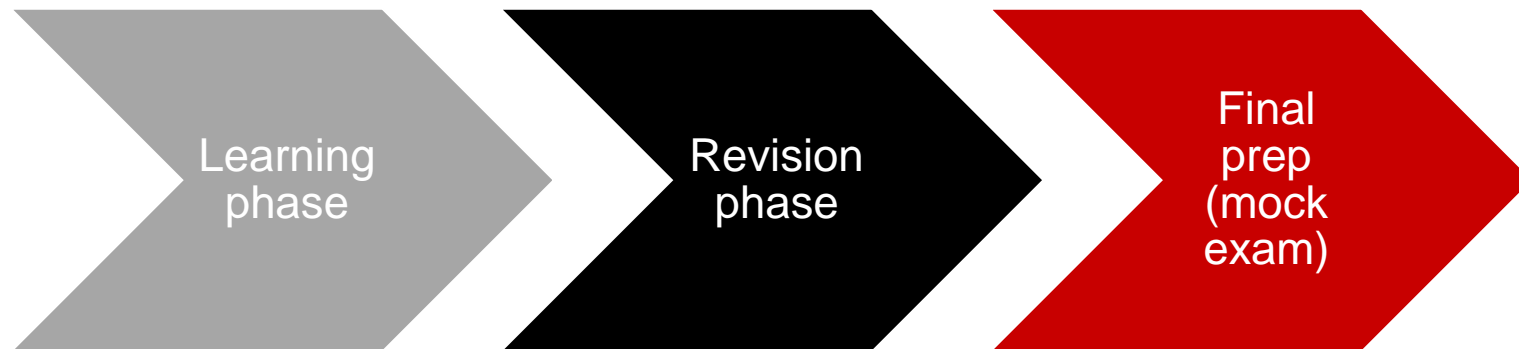
Learning  
outcome 2

## Learning outcome 2: To provide assistance, suggestions and recommendations around how to teach Financial Reporting

1. **Course structure**
2. Teaching the harder topics
3. Coaching in the use of the spreadsheet tool



## Course structure – an overview





## Covering the syllabus

- Use materials that cover the whole syllabus
- Prioritise course time to cover difficult / key areas
- Provide guidance for areas not covered in class
- Refer students to ACCA resources

## Doing questions and tests

- Enables students to build up to exam standard
- Adds variety to the course
- Can be used periodically to review the progress of students
- Exam standard questions help students to get to the right standard for the exam

## Learning outcome 2: To provide assistance, suggestions and recommendations around how to teach Financial Reporting

1. Course structure
- 2. Coaching in the use of the spreadsheet tool**
3. Teaching the harder topics



# Financial Reporting spreadsheet answers

## **Only basic spreadsheet skills required:**

- copying, pasting and simple formatting
- simple formulae: multiply, divide etc.

## **Using formulae:**

- saves time
- lets markers see calculations

## **Workings**

- positioning to minimise scrolling

## **Narrative**

Some might have to be typed into the spreadsheet, i.e. a conclusion at the end of the calculations

## Learning outcome 2: To provide assistance, suggestions and recommendations around how to teach Financial Reporting

1. Course structure
2. Coaching in the use of the spreadsheet tool
- 3. Teaching the harder topics**



## How to teach students CR interpretation questions!

- Step by step approach

## Step 1 - reading

- Let the students read the question by themselves
- Then read the question through together (requirement first)
- Talk out loud – musing first impressions, drawing attention to numbers that have changed, and those that have not.
- Dwell on the additional information giving it emphasis on the additional information.

## Step 2 – reflecting and discussing

- Get the students to generate a discussion
- Consider splitting the class into small groups
- Challenge them to tell you
  - Why is the additional information given?
  - What is the significance of the additional information?
- Be positive and encouraging with their contributions
- Allow silence, before reluctantly making leading questions
- Offer two versions of the significance / interpretation and ask them to suggest which is plausible.



## Step 3 – calculate the ratios

- Start to prepare an answer (in CBE?)
- Adopt a start stop approach
- Calculating the ratios are the easy marks so should be done first
- Calculate the ratios together, verbalising their meaning
- Consider if the additional information means that any ratios need to be revised or reworked to consider
  - mid year acquisitions,
  - Revaluations
  - Different policies
  - Non recurring items
- If time is particularly short, have prepared as a hand out a copy of the ratios calculated
- Reassure students that a valid interpretation of an incorrect ratio will still attract marks

## Step 4 – writing the analysis / interpretation

- Type out the interpretation in short sharp sentences with sub headings
- Remind the students that is one mark per valid point, so structure your answer that way.
- Steer them to identify the key points first
- Create an original answer from their contributions and observations
- Incorporate their phrases into the answer that you create
- Part way through conduct a marking exercise
- Never just copy or write out the examining team's answer
- Show / distribute the examiner's comments on the question

## Step 5 – repeat the process

- On each repeat question, introduce a little more time pressure and lead less
- Review / mark written answers they create in timed sessions in class
- Feed forward is more important than feed back
- Encourage peer review and marking
- Take in homework for marking
- Always look to generate confidence

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# Questions Comments Feedback

To provide assistance, suggestions and recommendations around how to support students in revision and final preparation for Financial Reporting

Learning outcome 3

Learning outcome 3: To provide assistance, suggestions and recommendations around how to support students in revision and final preparation for Financial Reporting

1. **Structure of a revision course**
2. Exam technique
3. Running a mock exam day



## Objectives of revision course

- To reinforce technical knowledge
- To become familiar with exam style questions
- Learn about exam technique
- To learn from the examiner's comments

## What to do on revision courses

- Produce/ review summaries of key techniques/ theories
- Set OT questions/ tests
- Set constructed response questions in full, followed by debrief
- Ask students to prepare plans for constructed response questions
- Peer marking
- Mock up student style answers and have students mark them



## Learning outcome 3: To provide assistance, suggestions and recommendations around how to support students in revision and final preparation for Financial Reporting

1. Structure of a revision course
2. **Exam technique**
3. Running a mock exam day



## Time Management

- Golden Rule: 1.8 minutes per mark
- Section A: (30 marks x 1.8 minutes) = 54 minutes
- Section B: (3 questions x 10 marks each) = 18 minutes each (54 minutes in total)
- Section C: 2 questions 20 marks each = 36 minutes per question (72 minutes in total)

## Section A

- Leave any time consuming questions until the end
- Two minutes before end, the students should go back and see which questions have not been completed.
- Guess answer to any questions they have not had time to work through.

## Section B

Advise students to read individual questions before reading scenario

- Do quick questions first
- Read scenario as required for each question.
- Guess answers to any you don't have time to do

## Section C Constructed Response Questions

- Read the requirements – carefully
  - Read the mini scenario
  - Think/ quick plan
  - Write
- 
- Examiner’s advice: Numeric questions – The marking teams work very hard to ensure the own figure rule is applied. Unfortunately, for those candidates who do not show workings or present them in a logical, legible manner, these marks are often lost. Full presentation of all workings is essential as markers are not able to mark what was ‘in your head’.

## Debriefing questions

- OT questions
- Constructed response questions:
  - Your approach
  - Work through difficult calculations
  - Plans for discussion parts
  - Sample written answers
  - Examiner's comments

## Learning outcome 3: To provide assistance, suggestions and recommendations around how to support students in revision and final preparation for Financial Reporting

1. Structure of a revision course
2. Exam technique
3. **Running a mock exam day**



## Running a mock exam “day”

“Sitting a Mock Exam in the time allocated, without reference to study materials, is the single most important element in preparing for the ACCA exam”

- Readiness
- Timing
- “Fear factor”
- Effective exam technique
- Reflect on experience
- Marking and feedback



## Things to consider

- Paper or mock CBE?
- How to source?
- Exam conditions – how strict?
- When to hold the mock?

To equip tutors in marking  
and giving feedback on  
Financial Reporting

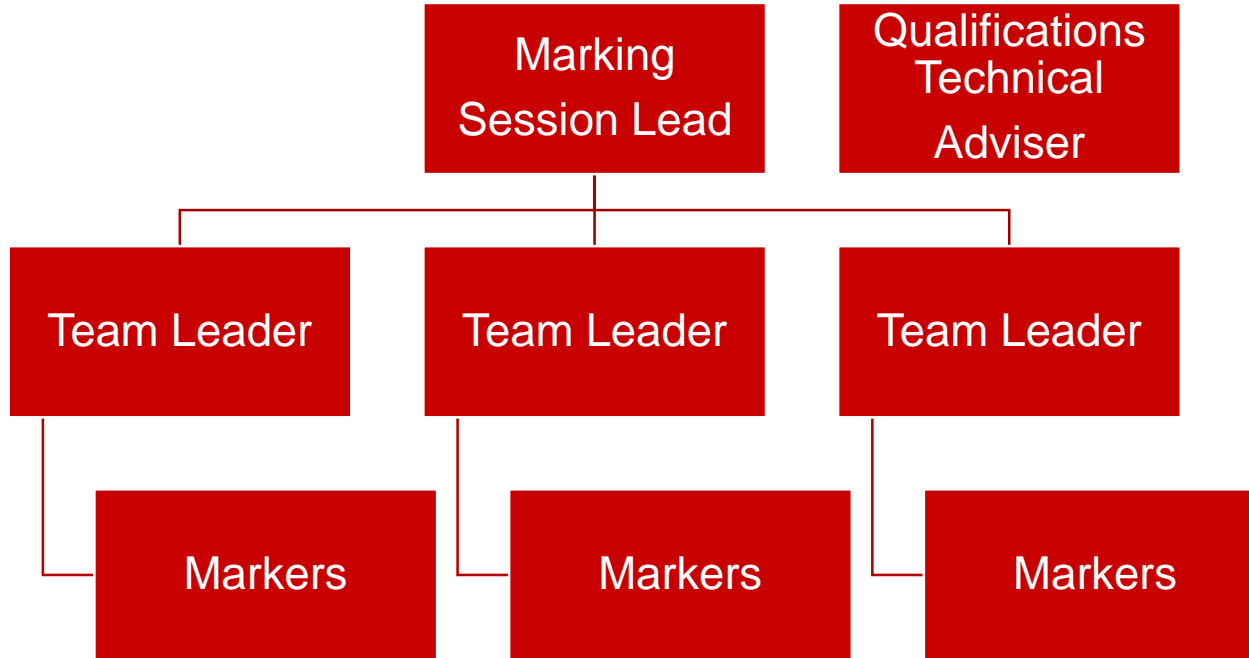
Learning  
outcome 4

## Learning outcome 4: To equip tutors in marking and giving feedback on Financial Reporting

1. **An overview of ACCA's exam marking**
2. Financial Reporting marking insight exercise



## Who are the marking team?



## Marking – basic principles

- Suggested answers – are examples of strong answers
- Credit is given for any relevant answers
- No negative marking
- No marks lost for poor spelling or grammar

## Marking – basic principles

- Generally 1 mark per relevant point in narrative answers
- Simple calculation steps may carry  $\frac{1}{2}$  mark
- Own figure rule

## Learning outcome 4: To equip tutors in marking and giving feedback on Financial Reporting

1. An overview of ACCA's exam marking
2. **Financial Reporting marking insight exercise**



## Interactive exercise: your turn to mark!



- Practice marking exam scripts
- Compare with ACCA marked scripts





## Interactive exercise: your turn to mark!

The two answer scripts include answers to the following requirements:

Requirement	September/December 2017 Question 32	Marks
(a)	Prepare the consolidated statement of financial position	15
(b)	Explain concerns about making investment decision using consolidated or single entity financial statements	5

The ACCA logo consists of the letters 'ACCA' in white, bold, sans-serif font, centered within a red square. The background of the slide is a photograph of a smiling woman with dark hair, looking towards the right. The image is overlaid with a grid of semi-transparent white squares of varying sizes.

**ACCA**

Think Ahead

**Questions?**



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**For more information  
visit [accaglobal.com](http://accaglobal.com)**