

ICAEW's Level 7 Accountancy Professional Apprenticeship: Project Report - August 2022



PURPOSE OF THIS REPORT

There have now been seven sessions of the ICAEW's Project Report exam. The first cohort comprised only 85, the most recent 1,542 applications (an increase of 24% on the previous session's 1,245). It is anticipated that the number of applications may increase further at future sessions.

This report provides feedback on the most recent ICAEW Project Report exam session (August 2022). It is written with the aim of helping future candidates better prepare their submissions. Because most of the exam's requirements do not change at each session, much of the information in the report is combined with information from previous reports – this is because the feedback continues to be similar. By including previous feedback, the intention is to provide a comprehensive standalone document.

Questions 3 and 4 of the Project Report vary from session to session – at this session:

- Question 3 examined **Problem Solving & Decision Making**; and
- Question 4, **Adding Value**.

Candidates are reminded that their Project Report submissions must describe their own work in their own words and under no circumstances should any text be copied from someone else's submission. Copying text from someone else's submission would be considered as plagiarism and could be considered a matter of misconduct. For this reason checks are carried out on each submission at every session. These checks include comparisons against all Level 7 Project Report submissions, both past and present.

Please note that the **Guidance Notes** for this exam have been updated, to reflect a revision to how feedback will be provided to failing candidates and to provide further information about plagiarism. These can be found at [icaew.com/level7](https://www.icaew.com/level7). Please take care to always refer to the latest version of the Guidance Notes and especially the **exam template** (noting that the requirements do vary at each session).

SUMMARY

Candidates continue to be generally well prepared and addressed the exam requirements to a good standard. They are again congratulated for doing so. It continues to be fascinating to see the breadth and depth of experience that candidates have experienced over the course of their training contracts. Our markers also, again, reported that they found some of the submissions genuinely interesting to read.

Most candidates scored high marks with the average being 78% (slightly lower than the average of 80% for the previous session). However, there was again quite a range of marks with the highest being 98% and the lowest 50%. This range demonstrates that answers can vary significantly in their quality, and that our assessment process is very capable of distinguishing between them. Therefore, candidates should not take passing this exam as a formality – indeed fifty five candidates at this session scored below 60%, with one scoring exactly the pass mark of 50%. If candidates wish to score high marks they should pay close attention to all of the supporting material that is available to them and address all of the requirements to the best of their ability.

Passing requires thorough preparation and close attention to the exam requirements. Candidates that do not address the exam's requirements properly will score much lower marks than those that do.

A common reason for candidates scoring low marks for a question relates to them describing generic rather than specific situations.

Identifying what went well, or could have been improved, is good practice in the world of work. Therefore, it is hoped that candidates will find this exam good practice for the self-evaluation of their work that will be expected

throughout their careers. This exam is also a good opportunity to articulate the difference between an evaluation and 'lessons learnt'.

General Observations

Candidates generally answered the requirements very well. Pass rates and average marks reflect this. It is clear that candidates are benefiting from professional tutoring on how best to complete the exam. Tutor firms are again to be congratulated for their contribution to preparing candidates for the exam.

Candidates were almost universally good at writing their answers in a way that made it clear what their **personal involvement** was in each situation, which is a necessary requirement to pass. It is, however, worth re-emphasising the importance of this. If a candidate is not crystal clear what they personally did in each situation, they will not score good marks. Describing what "*the firm*" or "*the team*" did is not what is required in this exam. This is an examination of each candidate's individual experience – therefore, it is essential that this is what is described in the answers. The way to think about the exam is that it is a written competency based interview. An applicant that does not make it clear what they did in a specific situation in such an interview will not be scored highly – and the same is true for the ICAEW's Project Report exam.

Selecting a **good situation** for each answer is also a necessary (but not sufficient) requirement. These need to be specific to what candidates have experienced and not vague or general in nature. Describing what "*the firm tends to do*" or what "*their general approach is*" will not satisfy the requirement to describe a situation, and will adversely affect candidates' marks. Candidates that do well in this part of the assessment will describe a **specific situation** that they faced.

There was generally a good standard of English and grammar used. Ten marks are available for **well-presented answers**. Therefore, candidates are advised to have their submissions independently proof read before they are submitted for assessment. It is disappointing when candidates' submissions are poorly presented, with them missing out on what should be straightforward marks.

At this session a small number of candidates submitted identical answers to two questions. It is unclear whether this was accidental or intentional. Candidates are advised that this will result in them losing a significant number of marks. In addition, they could also lose marks for the presentation of their submissions.

Candidates continue to be advised to apply the following 'tips'.

Preparation

- Make full **use of the guidance** that can be found at [icaew.com/level7](https://www.icaew.com/level7).
- Read the **'top tips'** at [icaew.com/level7](https://www.icaew.com/level7) and apply them!
- Make sure they **have downloaded the appropriate template** for the session of the exam that they are submitting – noting that some of the questions vary at each session!
- Select **different situations** from their training records for each answer. This will provide examiners with strong evidence of their experience of each of the skills and behaviours being assessed.
- Use the most **appropriate examples** that they can from their experience. These should be examples drawn from their work experience and should not be trivial in nature.
- Be clear which of the **ethics or professional scepticism** questions they will answer, given that they should answer just one of these.
- Make sure they **don't simply 'cut and paste'** text from their training records. It is very likely that they will need to tailor the information to the specific requirements of each question.

Format & Structure

- **Anonymise** their submissions so as to respect client or colleague confidentiality.
- **Use sub-headings** to structure their answers. This also aids the marker's assessment of candidates' submissions.

- Make sure they **answer the right question** (noting that some questions will vary at each session).

Writing Answers

- Write about a **specific situation** as opposed to a general or theoretical one.
- Only **use one situation** to answer each question.
- In using sub-headings, make sure that the content of their **answer relates to each heading** i.e. put the right information under each sub-heading of their answers.
- Not feel that they need to try and unduly demonstrate their technical prowess. This is not a technical exam.
- Apply **good grammar** to their submissions, including appropriate use of **commas**.
- Try and use **short sentences and paragraphs**, which are much easier to read and understand.

Checking before Submitting

- Check that they have answered **all** of the questions.
- Make sure they have been clear which of the ethics/professional scepticism question that they have answered.
- Make sure they have **removed all review comments** and accepted 'track changes' (one candidate at this session failed to do so and lost marks for this mistake).
- Have had someone **review their answers** before submitting them for assessment.
- Make sure they have talked about **what they did**, throughout their answers.
- Avoided using too much **jargon** or textbook material.
- **Spell-checked** their submissions.

Structuring answers

There is quite a lot of supporting information available at [icaew.com/level7](https://www.icaew.com/level7) which candidates are encouraged to read. This includes a webinar from the lead examiner, which suggests that candidates structure their answers around the different parts (or sub-requirements) of each question, using sub-headings. This approach should make it easier for them to ensure each of the sub-requirements is covered. The use of sub-headings also aides the marking of candidates' answers.

Possible subheadings could be (for Question 1a 'Continuous Improvement'):

Description of the situation
How I demonstrated Continuous Improvement
Evaluation of my effectiveness
Description of the lessons that I learnt

If candidates do use subheadings, they are strongly advised to make sure that each subsection of their answers do properly relate to the subheadings. Subheadings that do not relate well to their content detract from the quality of submissions. Whilst it is not compulsory to structure answers with sub-headings, it is advised as it focusses candidates on addressing each of the sub-requirements of questions. This should also help make sure that they address each of the exams requirements.

How submissions are marked

Markers will assess each candidate's submission against each question's five sub-requirements, namely:

1. How well candidates have described what they did in the situation (referred to as **personal involvement**);
2. How well candidates have described a specific situation (referred to as the **situation**);

3. How well candidates have described what they did to evidence competence in the specific skill or behaviour (referred to as the **competence**);
4. How well candidates have described how they evaluated the outcome of their work in the specific situation (referred to as the **evaluation**);
5. How well candidates have described what lessons they have learnt (referred to as **lessons learnt**).

If candidates structure their answers to address each of these sub-requirements, it should help create an answer that provides the appropriate evidence to pass each question. As discussed earlier, a good way to do this is by the use of sub-headings. The first sub-requirement, however, pervades everything that a candidate writes so it is not recommended that a separate section of an answer is submitted for this.

Based on how each of these five sub-requirements are individually scored, a final mark is derived for each question using a sophisticated rules-based system.

Candidates should be aware that the first 'sub-requirements' are of such importance that poor scores for these will limit their ability to score well overall, irrespective of how good the rest of their answer is.

Specific observations about the separate parts of each question

Situation

The descriptions of the situations were again occasionally a little too brief. Whilst examiners do not want long descriptions, an extra sentence would often have been helpful to properly understand the scenarios.

This sub-requirement refers to "*action*". This should be interpreted as "*what did you do which demonstrated the skill/behaviour?*".

Situations should be of an appropriate level for a newly qualifying accountant. A few situations were trivial (e.g. having a coffee with a client) and did not, therefore, score highly.

Candidates should make sure that they describe a specific situation that they experienced, as opposed to a generic approach that tends to be applied at work. For example, discussing the firm's general approach to ethics will not score as highly as describing the application of an ethical approach to a specific situation.

Skill or Behaviour

It is important that answers are specific to the skill or behaviour being examined. Candidates should relate the skill or behaviour to the specific situation.

Evaluation

Candidates are reminded that as well as discussing what could have gone better, it is also appropriate to note what went well. Noting what went well, and could therefore be repeated in a similar situation, is a useful activity both in the context of this exam but also in the world of work.

The evaluation should not just describe what happened, but should be a description of the candidate 'stepping back' to consider what went well and what could have gone better.

The best answers tended to have three distinct components: (1) a statement describing the extent to which the candidate considered themselves to have been effective (or otherwise); (2) a discussion of what went well; and (3) a discussion of things that could have gone better. Stronger answers tended to be balanced and honest and were well-focused on the specific situation.

Some evaluation sections more or less repeated the actions undertaken, which didn't add any value. It really helps if candidates can offer solid evidence of their positive or negative evaluation. For example, was there client or manager feedback? How have they used knowledge gained in their job? Was the project completed on time? Were the issues resolved to the satisfaction of stakeholders?

Lessons Learnt

Some of the lessons learnt were again too general or overlapped with the evaluation. It would also often have been better if they had been written in a way that was more specific and more related to the situation.

Even if things went mainly well, candidates should be able to identify something to apply in a similar situation in the future. For example, *“things went so well that I shared my experience with colleagues by way of a report so that they could also benefit from my experience”*.

There continues to be a bit of confusion by candidates as to what is meant by an ‘evaluation’ and ‘lessons learnt’. There is clearly a relationship between these two - however, they are subtly different. To illustrate this, consider when a project finishes. Good practice would be to write down all the things that went well, and all the things that could have been improved. The next activity would then be to decide which of these were the most important. This is what is meant by ‘an evaluation’.

In terms of lessons learnt, it would be likely that you would strive to do something to address the most important things that went badly with an improvement plan whilst retaining the most important things that went well.

It could even be the case that a lesson learnt could be a synthesis of both what went well and what could have been improved. For example, in implementing a new accounting software package we might observe in evaluating the project that costs overran and that it took longer than anticipated to train the end users. We might also have observed that our most experienced users of the software quickly identified short-cuts to using it. A lesson learnt could be to involve experienced users in the training of future roll-outs of the software as they would be better at explaining how to make best use of the software than external trainers.

Candidates should also describe their thought processes for how they arrived at their ‘lessons learnt’, (this is a vital aspect of the whole experience of an apprentice) rather than assuming that it is ‘self-evident’ from what they have previously written.

Feedback on specific questions

Q1a – Continuous Improvement

Candidates are again advised to refer to how this behaviour is defined in this exam, as opposed to interpreting that meaning, themselves. The definition is: *“Take responsibility for their own professional development by seeking out opportunities that enhance their knowledge, skills and experience”*. Therefore, to answer this question well, candidates should focus on situations where they did things to improve their skills or way of doing things. Examples are given in the published guidance notes.

Candidates should resist merely describing what their firms do to ensure trainees continually improve i.e. sending them on training courses. The answer needs to be described from the perspective of the candidate, ideally giving an indication of the how they sought out opportunities.

Answers to this question often (rightly) contained examples of doing research by reading online reports, attending webinars, signing up to email alerts and so on. This highlights how many tools for professional development are now available to accountants. There is no excuse for not using these, and doing so demonstrates a commitment to ongoing self-improvement.

Answers sometimes related to “carrying out learning at work”. Unfortunately these often failed to adequately explain the actions that candidates carried out or how they demonstrated continuous improvement.

Q1b – Building Relationships

Building effective relations with colleagues is an incredibly important skill. Absent candidates forming such relationships it will be hard for them to produce high-quality work and be truly effective.

When planning which situations to use to answer this question candidates are advised to read the examples in the published guidance document.

At this session, a common response related to new client and team members on a project. However, sometimes having described this situation the candidate failed to explain how they built relationships between all the new colleagues, often focusing on just one of the two categories of new team members.

Q2 (i) – Ethics & Integrity

Poor answers tend to describe generic approaches to ethics and integrity – for example “*My firms approach to ethics is...*”. To answer this question well, candidates should describe a specific situation that they had to deal with. Candidates are reminded that situations involving ethics and integrity will often have an element of dilemma about them i.e. some form of initial uncertainty about how best to proceed.

Candidates should not worry if they are unable to identify a very ‘exciting’ or ‘dramatic’ situation to describe for this question. Often ethical dilemmas entail everyday situations which nonetheless are important within the context of that particular time. For example, if a candidate felt undue pressure to conclude on a matter in a certain way to please a senior colleague or a client.

At this session there were some instances of confusion between ethics and professional scepticism. In addition, some answers would have been improved with a better description of the situation and in particular describing any dilemmas that they faced in dealing with it.

Q2 (ii) – Professional Scepticism

The application of professional scepticism is, arguably, one of the most important traits of a good accountant – the ability to apply a ‘questioning mind’ to a situation and to not just accept ‘facts’ at their face value.

Candidates should demonstrate how they applied their own scepticism, as opposed to writing about fulfilling a task to satisfy a manager’s or someone else’s professional scepticism. Candidates will be likely to be highly rewarded for describing seemingly everyday forms of professional scepticism – such as questioning the source of data, cross-checking information and querying whether someone has an ulterior motive in how they seek to present information.

Candidates are advised not to merely restate the Level 7 Project Report “appropriate criteria checklist” i.e. questioned data / assumptions or considered the potential motives of others. Candidates should provide tailored evidence relevant to the specific situation that they have selected, for example what data the candidate questioned, and why they selected it to be questioned.

An evaluation of one’s effectiveness is very important when professional scepticism has been applied, so as to reflect and learn. Therefore, it is encouraging to read how candidates have questioned both client and their own firm’s actions, and also challenged whether their own actions were effective.

Q3 – Problem Solving & Decision Making

Candidates seemed to find this one of the more difficult questions, at this session. Candidates should be guided by what is meant by problem solving and decision making in the context of the Project Report, as opposed to interpreting its meaning themselves. Therefore, they are advised to refer to the definition and example situations to guide them in addressing this skill, namely:

Definition

“Evaluate information quickly and draw accurate conclusions. Assess a problem from multiple angles to ensure all relevant issues are considered. Gather the appropriate facts and evidence in order to make decisions effectively.”

The guidance document that is on [icaew.com/level7](https://www.icaew.com/level7) includes some example situations for this skill, which are also set out, below:

- Showed resilience when problems occurred
- Gathered appropriate & relevant information
- Sought views from colleagues/stakeholders
- Considered a problem from different perspectives
- Applied appropriate technical knowledge
- Identified & evaluated significant risks/uncertainty

- Evaluated information quickly
- Questioned data & assumptions
- Identified appropriate solutions given constraints
- Developed recommendations for a complex problem

At this session, common good examples included how the candidate devised new ways of testing a client's system or testing if a balance was fairly stated in client's accounts.

Q4 – Adding Value

It is important that candidates are guided by what is meant by adding value in the context of the Project Report, as opposed to interpreting its meaning themselves. Therefore, they are advised to refer to the definition and example situations to guide them in addressing this behaviour, namely:

Definition

“Anticipate an individual’s/organisation’s future needs and requirements. Identify opportunities that can add value for the individual/organisation.”

Whilst most of the answers to this question described relevant situations, candidates are reminded that they may find it helpful to refer to the document ‘Project Report – a guide for students’. This document includes some example situations for this behaviour, which are also set out, below:

- Understood requirements
- Took account of the position of others
- Anticipated changing circumstances
- Identified a way to improve outcomes
- Made a realistic suggestion

A number of good answers described the example of taking on a more senior role on an audit, or streamlining work practices. Other situations included: training junior colleagues; saving time for a client by changing work practices;

Presentation (Format & Language)

As noted earlier, ten marks are available for well-presented answers. Some verbatim points of feedback from our markers relating to presentation of answers at this session are shown, below:

Good answers

- “Generally well presented and clearly proof read”;
- “As is now to be expected, the answers were generally well presented”; and
- “Most of the answers were well presented, concise and addressed the questions well”.

Poor answers

- “Poor answers tend to include very long sentences with insufficient punctuation. This makes the answers hard to understand”;
- “One answer had been proof read but the ‘tracked’ comments had not been removed”;
- “Sometimes the candidates appeared to have deleted words to bring the word count down, but this made their sentences disjointed”.