



Corporate Reporting

THURSDAY 1 FEBRUARY 2018-SESSION NOTES

	Slide ref	
Q	18	In respect of actions to be specified in answers to questions on ethics, is it acceptable to say 'ring the ICAEW Helpline'?
A		Yes, but it has to be an appropriate action in context, and at this level, we would expect some explanation of why it is appropriate. The action plus explanation could merit a mark.
Q	20	In respect of taxation, is it acceptable to use UK deferred tax terminology in answers?
A		Yes, when explaining and describing tax treatments. However, if the question relates to a presentation requirement under IAS 12, then we would need to see the correct international terminology.
Q	28	Q&A before break. There was a question about examinable standards, with specific reference to IFRS 9, 15 and 16.
A		The basic rule is that whatever is in the LMs is examinable. In respect of the standards asked about, IFRS 9, 15 and 16 are listed as level C in the 2018 syllabus. IFRS 15 <i>Revenue from contracts with customers</i> appears in the 2018 LMs as a current issue (see Chapter 10). Its effective date is accounting periods starting on or after 1 January 2018. IFRS 16 <i>Leases</i> appears in the 2018 LMs as a current issue (see chapter 14). Its effective date is accounting periods starting on or after 1 January 2019.

		<p>The 2018 LMs state: 'While IAS 39, IAS 17 and IAS 18 remain the extant standards, some knowledge of IFRS 9, IFRS 15 and IFRS 16 is required and may be examinable, particular in relation to how future accounting periods may be affected. For example, in the case of a long lease, the accounting treatment may change from IAS 17 rules to IFRS 16 rules during the life of an existing lease'.</p>
Q	30	<p>The marking process</p> <p>Is it worth students who are on 48 or 49 applying for a re-mark?</p>
A		<p>Any script on 48 or 49 has already been marked twice. The re-mark is an administrative check only, and it does not challenge the academic and professional judgement of the markers.</p>
Q	33	<p>Advice to candidates. There were queries about the order in which questions are answered. The examiner's advice is that candidates should answer the requirements in the order set out in the question. However, tutors query whether or not it is sensible for candidates to deal with the FR aspects of an issue immediately followed by the audit aspects.</p>
A		<p>The basic advice stands – answer the question requirements within a question in order. However, there are instances where there are bullet points within a requirement. Where this happens candidates are free to order their answers to a specific requirement in whatever way seems best to them.</p>
Q	36	<p>Some candidates who are not from an audit background may find it difficult to come up with sufficient and appropriate audit tests. How should such candidates prepare?</p>
A		<p>The best preparation is to do as many practice questions as possible. Very simple audit tests (e.g. agree to cash book or non-current assets register) are not likely to get marks at this level, so candidates need to be able to devise and justify more complex tests.</p>

