

## HOW TO ANSWER P2 QUESTIONS AND SCORE FULL MARKS

All answers must be at the cognitive level 3.

For an explanation of what this means and guidance as to how to approach studying at this level please refer to

[P2 Competency Guide](#)

[From F7 to P2](#)

Desirable answer features <a href="#">Colour codes in annotations</a>	WEAK	MEDIUM	STRONG
Most marks out of 7	2	4	7
<p><b>Apply technical knowledge</b>  <b>Technical content is required: insights into how the IFRS principles, concepts, theories, models and interpretations apply. There must always be reference to the Conceptual Framework (CF) to provide quality and substantiation.</b></p> <ul style="list-style-type: none"> <li>- Demonstrate deep knowledge and understanding of accounting questions, concepts, principles, issues, procedures and theories as they relate to the context.</li> <li>- Sets out <b>premise</b> for analysis and reasoning in context e.g. a coherent CF that underpins IFRS and addresses all the key issues is essential for successful international convergence</li> <li>- Indicates awareness of broader issues through reading IASB work plan, technical articles, articles published in accountancy journals, accounting sections of newspapers such as the Financial Times. Making reference to these in the answers to questions.</li> <li>- Accurate use of technical vocabulary (register)</li> </ul>	<p>Basic knowledge is evident but lacking in reasoning skills and in-depth awareness of issues.</p> <p>Content is predominantly descriptive with some copying of parts of the case text.</p> <p>Answer is vague; no attempt to apply principles to the scenario.</p>	<p>Some knowledge is displayed and attempts at developing arguments around issues is evident but not adequate in skill and scope. For example, candidate does not offer an interpretation of the accounting practice in the context of the transaction, condition or other event.</p> <p>Does not offer inference.</p>	<p>Appropriate insightful understanding. Varied, covers all relevant issues. E.g. a discussion about the issues to be covered in developing a Conceptual Framework (CF) will include <b>all</b> the key elements. <a href="#">See Q4 Dec 2007 (answer)</a></p> <p>Candidate offers a confident and lucidly argued interpretation of the accounting practice in context; appraises options and provides conclusions about the accounting practice that best fits.</p>
<p><b>Analysis of context and use of evidence from the scenario</b>  <b>Context provides background information to enable the issues to be understood, materiality to be assessed and principles to be applied. Marks are lost if context is not adequately used in the discussion. Demonstrate detailed critical understanding of the multiple interconnected factors that determine financial reporting practice.</b></p>	<p>Vague answers: begins to use text but there is no clarity about the ideas or arguments to be developed. No effective analysis or evaluation.</p>	<p>Begins to use context to develop ideas but analysis lacks depth. Only superficial and limited evaluation attempted.</p>	<p>Correctly identifies and analyses relevant issues and shows connection between them in a way that clarifies the central question to be answered.</p> <p>Specific relevant details chosen from the context to justify assertions and address the question.</p> <p>Arguments framed and coherently developed</p>

<ul style="list-style-type: none"> <li>- Issues (including ethical issues) in context identified correctly (data response)</li> <li>- Issues prioritised. E.g. <b>IAS 36</b> impairment must be adjusted before depreciation <b>IAS 16</b>.</li> <li>- Relationships correctly and fully identified in accordance with the question requirements</li> <li>- Focused on questions to be answered</li> <li>- Develops the premise e.g. a coherent CF is conducive to efficient standard setting.</li> <li>- Highlights problems</li> </ul>			<p>based on clearly stated principles.</p>
<p><b>Examples</b>  <b>Examples always make things clear. Always study with examples.</b></p> <ul style="list-style-type: none"> <li>- Quality of examples is high because the examples are relevant and they address essential points (not just easy ones) including controversies, limitations and omissions. E.g. when discussing the need to define all the elements of the CF it is essential to highlight that certain IFRS contravene the IASB's own CF. Then give at least two varied examples of this: <b>i)</b> IFRS 3 goodwill recognised as an asset; it can be argued that goodwill does not strictly conform with the current CF definition of an asset. <b>ii)</b> IAS 12 requires the recognition of deferred tax liabilities that do not meet the liability definition of CF. <b>iii)</b> a <i>call option</i> is recognised as an asset by the holder even though by definition the holder does not control the underlying asset from which the derivative derives future economic benefits.</li> <li>- Uses examples judiciously</li> <li>- Integrated with arguments and discussion (weaving and blending of evidence into thesis and sub-</li> </ul>	<p>Some illustrative examples but limited as to their relevance to the context. The weakness of the examples shows that the candidate has not gained the expected depth and breadth of understanding.</p>	<p>Variety of relevant examples but not sufficiently developed to cover the full range of issues. Some depth of understanding is evident from the complexity of the examples.</p>	<p>Adequate illustrative examples relevant to all the essential points. Candidate uses careful and comprehensive analysis to integrate excellent examples that address the core subject matter.</p>

arguments)			
<p><b>Clear &amp; concise reasoning</b>  <b>Learn and apply the method of accounting reasoning as explained in P2TT. Assertions or claims must be clarified in scope.</b></p> <ul style="list-style-type: none"> <li>- Have a clear structure for reasoning.</li> <li>- Identify a premise stemming from the question.</li> <li>- Use the context to apply your knowledge to the question.</li> <li>- Decide how you think the question should be resolved</li> <li>- Give your reasons</li> <li>- Integrate your reasons with the analysis and references to the data.</li> </ul>	<p>None: answer quality weakened by descriptive rather than evaluative thinking (intellectual level 3). Very poor use of context materials, repetitive, copied without personal response (interpretation).</p>	<p>Some basic reasoning employed but not well structured and advanced to the intellectual level 3 as evaluation and synthesis not evident. Consequently, rigour is impaired.</p>	<p>Full and clear explanations of points made with adequate supporting knowledge and quality examples well integrated into the arguments deployed.</p> <p>The answer's <b>high qualities</b> also include sustained analyses, showing <u>awareness of cause-and-effect relationships</u> and the <b>variations in circumstances</b> that affect accounting practice.</p>
<p><b>Synthesis &amp; evaluation</b>  <b>Blend, chunk and integrate ideas and evidence that support claims to provide coherent arguments.</b></p> <ul style="list-style-type: none"> <li>- Demonstrate insight (deeper understanding of issues e.g. causal, inferential, logical, conceptual understanding) as in critical appraisal of financial reporting practice</li> <li>- Demonstrate broader understanding of key issues through a combination of deep analysis of context and deep knowledge as in performance appraisal, choice of accounting policy, assessing materiality.</li> <li>- Appraise alternatives using relevant criteria. E.g. use the principles of <b>measurement</b> (e.g. how the assets carrying value will be principally recovered as dictated by the business model) to evaluate whether <b>fair value</b> or <b>amortised cost</b> is an appropriate measure of the value of mortgage securities at the reporting date.</li> <li>- Decide what you think and give reasons (see above)</li> </ul> <p>Refer to F7 to P2 for explanation of</p>	<p>Brief and undeveloped: student seems to lack adequate understanding of the verbs in question. Consequently, obvious scoring opportunities were missed.</p>	<p>There is evidence of understanding of the verbs but the application to context is limited.</p>	<p>Evaluations are clearly explained and coherently presented. Critical thinking about options clearly evidenced. Final conclusions connected to the question requirements for maximum clarity and completeness.</p>

levels of “depth” and implications for learning.			
<p><b>Handwriting &amp; Presentation</b></p> <ul style="list-style-type: none"> <li>- Ensure that text is legible and that spelling, punctuation and grammar are accurate so that meaning is clear</li> <li>- Select and use a form and style of writing appropriate to purpose, audience and to complex subject matter</li> <li>- Organise and present information clearly and coherently, using technical vocabulary when appropriate.</li> </ul>	<p>Illegible writing, unclear sentences characterised by poor grammar and incoherent arguments contribute to low marks. There is no attention to structure and presentation at the <b>paragraph level</b>. The overall essay is consequently not cohesive.</p>	<p>The student’s writing is clear and concise. There is attention to structure at the paragraph and essay level. Effective use of topic sentences and the Point, evidence and explanation (PEE) technique. However, the student has not deployed these skills widely to cover a significant part of the answers. This restricts the score.</p>	<p>Clear structure supported by clear writing and accurate language makes meaning clear. The arguments are well developed in answering substantial aspects of the question rendering smooth flow.</p>