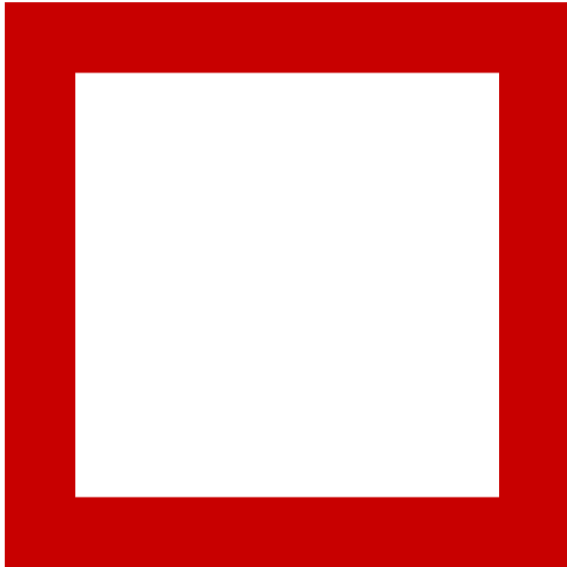


A group of people in a meeting, with a woman pointing at a whiteboard. The background is a blurred office setting. The text is overlaid on a semi-transparent white rectangle.

# Mock exam in Audit and Assurance

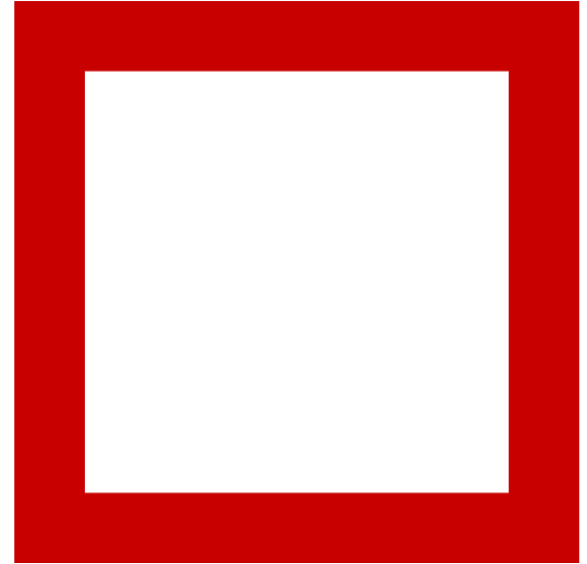
寒阳 ACCA中国 AA资深教学顾问

2022.03.29



- ***Why - Why to study marking***
- ***What - What resources can be used***
  - ***How- How to mark***

# Why - Why to study marking

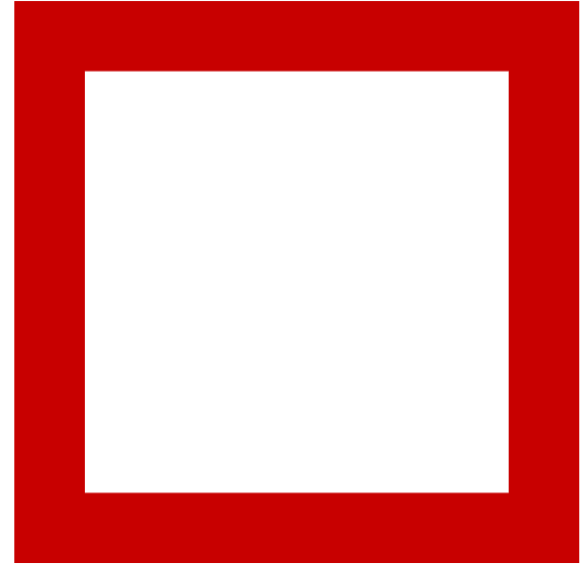


## Mock exam in Audit and Assurance- *Why to study marking*

- ***Objectives of the Mark program***

- ✓ To build confidence in delivering & marking mock exams
- ✓ To provide valuable feedback to students

**What - What resources  
can be used**



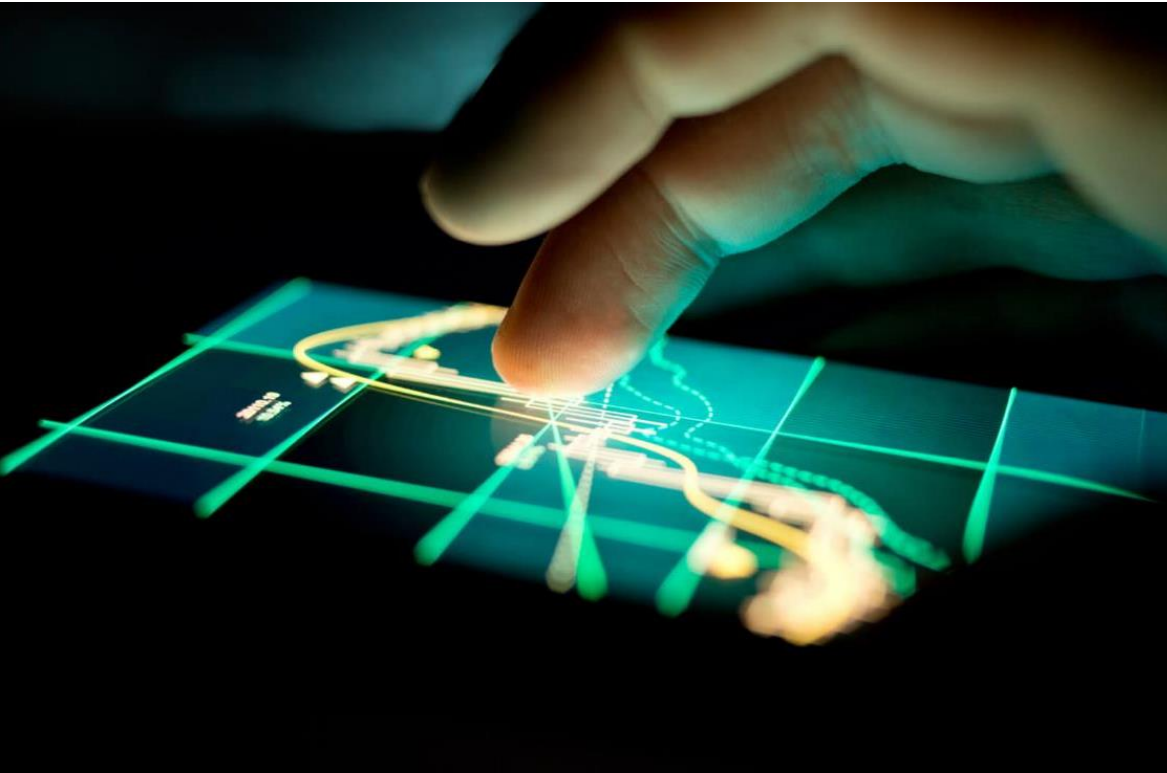
## Mock exam in Audit and Assurance- *What resources can be used*

### ▪ *Main activities in Mark program*

*<https://cn.accaglobal.com/promotion/course.html>*

- ✓ Introduction videos
- ✓ Review scripts, exam materials & marking guide
- ✓ Mark the scripts
- ✓ Enter your marks & overall feedback
- ✓ Download the marked scripts & watch final view
- ✓ Marks awarded (not overly harsh or generous)

## Mock exam in Audit and Assurance- *What resources can be used*



- ❑ Based on the exam of September / December 2020
  
- ❑ Section B only
  - ◆ 'Hart' audit risk
  - ◆ 'Swift' controls and systems
  - ◆ 'Sagittari' substantive audit procedures

# Mock exam in Audit and Assurance- *What resources can be used*

## ■ *Exam materials – Scenario 1*

### *'Hart' audit risk, containing four requirements*

- Explain benefits of audit planning (4 marks)
- Describe audit risks and auditor responses (16 marks)
- Describe substantive procedures – director's bonuses (5 marks)
- Explain safeguards for conflict of interests (5 marks)



## Mock exam in Audit and Assurance- *What resources can be used*

- *Exam materials – Scenario 2*

*‘Swift’ controls and systems, containing two requirements*

- Describe documentation methods and advantages (6 marks)
- Direct controls and test of controls (14 marks)

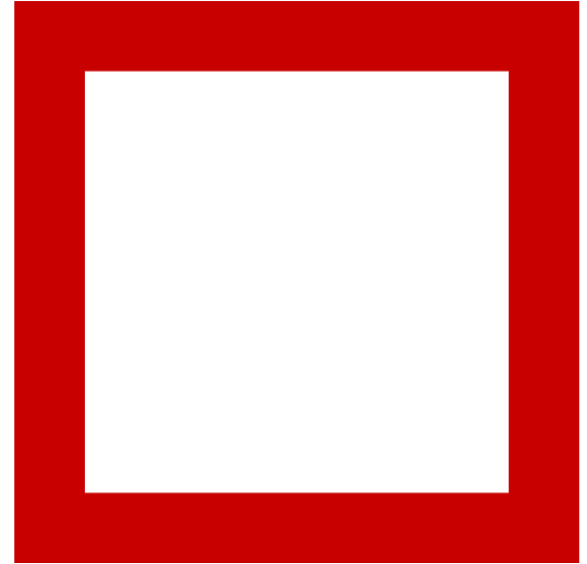
## Mock exam in Audit and Assurance- *What resources can be used*

### ■ *Exam materials – Scenario 1*

*‘Sagittari’ substantive audit procedures, containing four requirements*

- ✓ Describe audit procedures
  - Income (5 marks)
  - Restructuring provision (5 marks)
  - Bank loan (5 marks)
- ✓ Impact on audit report (5 marks)

# How- How to mark



# Mock exam in Audit and Assurance- *How to mark*

## ■ *Principles of Marking*



### ■ Know your role- as a tutor marker

- To give feedback
- To build confidence
- To encourage to push further

### ■ Prepare thoroughly

- Attempt the mock in an timed condition
- Work through the suggested answers
- Annotate/ Create your own scheme

### ■ Mark

- Review scripts carefully
- Give back thoroughly
- No negative marking for grammar / spelling
- Follow the review criteria

# Mock exam in Audit and Assurance- *How to mark*

## ■ *Review criteria*

- Overall feedback/ advice for the student (what they should to do to improve their chances of passing the exam)
- Marks clearly link to specific paragraphs (so the students can see where they have been awarded marks)
- Positive comments given (boosting student's confidence, being specific around what they should continue doing)
- Constructive improvement points given (how to improve their answer to increase the mark awarded)



## Mock exam in Audit and Assurance- *How to mark*

### ■ *Marking Approach*

- The feedback sandwich (Positive + Negative + Positive)
- Motivation

# Mock exam in Audit and Assurance- *How to mark*

- *Marking digitally*

Tools example:

- PDF annotator
- Adobe
- Word processor



# Mock exam in Audit and Assurance- *How to mark*

## ■ **Marking Guide**

### Marking Scheme

#### Hart Co

#### (a) **Benefits of audit planning**

Appropriate attention to important areas	1
Identify/resolve potential problems/risks	1
Effective/efficient performance	1
Assists in selection of audit team/assignment of work	1
Facilitates direction/supervision/review	1
Assists in coordination of work performed by experts	<u>1</u>

#### **Restricted to**

**4**

**Marks**

**Marks**



# Mock exam in Audit and Assurance- *How to mark*

## ■ **Marking Guide**

### (b) **Audit risk and response** (only 8 risks required)

New client	2
Directors' bonus	2
Payment of deposit	2
Audit team not attending all WIP counts	2
Warranty provision decrease	2
Treatment of R&D costs	2
Payment for PPE in advance	2
Rights issue	2
Outsourced payroll function	2
Directors' remuneration disclosure	<u>2</u>

**Max 8 issues, 2 marks each**

**16**

# Mock exam in Audit and Assurance- *How to mark*

## ■ **Marking Guide**

(c) **Substantive procedures for directors' bonuses**

1 mark per well-described procedure

**Restricted to**

(d) **Safeguards**

1 mark per well-explained point

**Restricted to**

**Total marks**

**Marks**

**Marks**

5

5

30

# Mock exam in Audit and Assurance- *How to mark*

## ■ *Marking Example*

Q16

- A: 1- manage the auditing process effectively /  
 2- ensuring they having enough recourse and staff /  
 3- understand the entity (client) and get information about it. /  
 4- contacting experts if needed /

0  
 /  
 3 marks

Audit Risk	Response
Hart company consider a <b>New client</b> , that may <b>increases the detection risk</b> as the team need to understand everything about their client. /	To send <b>more experience staff to</b> audit hart company so they can understand the client faster and more effective. /
The directors bonus based on the profit before tax and that may increase the risk of overstating profit . because increasing profit will raise their pay. /	Review the contract of directors and understand their pay and bonuses to verify the contract terms. Recalculate PBT and compare it to actual number in FS. 0.5
the customer pay 25% advance payment for the playground and the balance after transferred to customer. <b>This increase risk of misstating the liabilities because deferred income may be a problems</b> and they not be follwing accounting standards properly. This could also affect inventory as the order will have already begun. /	Review the FS for current and non-current liability and review accounting standards if they are following them properly. 0.5

# Mock exam in Audit and Assurance- *How to mark*


## ■ **Marking Example**


2 marks

---

Q1: 22

Advantage
They are simple to record; after discussion with staff members, these discussions are easily written up as notes.

 carolinehy  
页面 2 2022/3/22 12:05

 carolinehy

Apparently, you have scored excellent in the audit risk scenario. In this part, you are quite familiar with the audit risk and the relevant auditor responses. In addition, you have mastered basic theoretical knowledge related to this part well. Again, if you can pay more attention on the fundamental theories contained in syllabus, higher score can be achieved.

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[显示较少](#) | [回复](#)

# Mock exam in Audit and Assurance- *How to mark*

## ■ *Marker's feedback*

### 1. *Overall feedback*

Total score = 43.5/70  
62%

Well done on a comfortable pass! There are some strong answers but make sure you stay disciplined and not review suggested answers when completing questions. The more you do this, the more confident you will be on exam day. Great presentation and clear explanations.

Total score = 44/70  
63% - a comfortable pass so well done!

A pass for each question and syllabus area :)

Some strong answers throughout and then we have some areas which need just a little more description which can easily improve your margin even further! Review the suggested answer as a next step!

# Mock exam in Audit and Assurance- *How to mark*

## ■ *Marker's feedback*

### 1. Overall feedback

- Positive
- Constructive
- Advice to move forward

Total score = 43.5/70  
62%

Well done on a comfortable pass! There are some strong answers but make sure you stay disciplined and not review suggested answers when completing questions. The more you do this, the more confident you will be on exam day. Great presentation and clear explanations.

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A pass for each question and syllabus area :)

Some strong answers throughout and then we have some areas which need just a little more description which can easily improve your margin even further! Review the suggested answer as a next step!

# Mock exam in Audit and Assurance- *How to mark*

## ■ *Marker's feedback*

### 2. Marks linked to paragraph

- Where they were awarded marks
- Where they were not awarded marks
- Subtotals
- Marks per requirement

1/2	Customers pay a 25% deposit on signing the contract to purchase the playgrounds. They may not show these amounts properly in the financial statements <i>need a bit more explanation - expand by explaining how it should be shown if you can</i>	Discuss the process with the management  <i>1/2 - need to give details of what they will discuss</i>
	Hart Co's payroll function is outsourced to an external service organisation.  <i>1/2 need to explain why it is an audit risk to gain the extra bit</i>	Talk to the outsourced company. Ask management to ensure we have enough evidence.  <i>1/2 a little vague plus we would be responsible for obtaining evidence</i>

# Mock exam in Audit and Assurance- *How to mark*

## ■ *Marker's feedback*

### 3. Positive comments

- Boost confidence
- Encouraged to keep up the good work

Audit Risk	Audit Response
Hart Co is a new client for Morph & Co.  This is a detection risk as the auditors may lack an understanding and miss something.	Select an experienced team to do the audit work.  <b>1</b> <i>well done for using a fact from the scenario (new client) then explaining it using the appropriate language (detection risk). You could've made it even better by showing you understand what detection risk is (auditor is more likely to overlook issues as they lack experience of the client).</i>

**Q16 total = 20.5/30**  
**A strong pass which is great news.**  
**Lots of good points well explained and clearly presented so well done!**



# Mock exam in Audit and Assurance- *How to mark*

## ■ *Marker's feedback*

- 4. Constructive comments
  - Improve future answers
  - Boost marks
  - Increase exam efficiency

Only needed 8 audit risks - take care not to dilute answers/run out of time providing too many points - have given credit for best 8 but you have done very well with the answers provided

	Response
1av	To send more experience staff to audit hart
	Obtain the list of WIP count and values of all other sites from the inventory record and compare it the FS to verify it is correct and complete. <i>1/2 they would need to do more than compare to FS. You could also consider reviewing the supporting documentation to ensure the amounts agree.</i>

# Mock exam in Audit and Assurance- *How to mark*

## ■ *Marker's feedback*

### 5. Marks awarded

- Not too harsh
- Not too generous

not disclosed in the financial statements.

1 for both points combined.  
on their own they are not  
enough

made to directors to the post year-end payroll

1 - great procedure and clear  
description

agree the amounts

1/2 agree to what? You could agree to  
the bank statements perhaps? You  
would need to expand further for this  
to get more

# Mock exam in Audit and Assurance- *How to mark*

## Top tips

- Give detailed feedback and advice
- Be specific in relevant areas
- Highlight areas students should focus on
- Suggest further specific practice questions or other types of work to improve
- Give them as much as encouragement as possible to empower them to do well



# Mock exam in Audit and Assurance- *How to mark*

## Further support

- *Education Hub*
- *ACCA's practice platform*
- *ACCA global website*



***Thank you***