

ICMAP Pathway Exam (IPE)

June 2024 Examiner's report

General comments

In this report, the examining team share observations from the marking process, highlighting the strengths and weaknesses of candidates who attempted the questions in the June 2024 ICMAP Pathway Exam. Unsuccessful candidates can use this examiner's report as part of their preparation towards future exam attempts, alongside attempting question practice from the specimen questions provided.

Format of the exam

The examination consisted of a 4-hour exam with a single compulsory section comprising of two questions, each consisting of a variety of main tasks. Question 1 consisted of a 50-mark case study focused on Personal Education (PE), an education provider in Vanland that was created by William Clayton to provide "business education" preparing students for qualification and membership of professional bodies within the accounting and business sector. The candidate's role was as the management accountant reporting directly to William Clayton. Question 2 consisted of a 50-mark case study focused on EB Style (EBS), an established sustainable fashion brand with at least ten retail stores in Shapland, and a further twenty stores in key markets outside of Shapland. The candidate's role was as a senior business analyst and qualified accountant, providing guidance to the board of directors on greenwashing allegations.

The marking scheme included 80 technical marks for the correct use and application of technical knowledge. For every element of technical content, answers needed to be applied to the case; repetition of rote learned knowledge attracted minimal marks.

In addition, the marking scheme included 20 marks for Professional skills and competencies. The skill being examined in the requirement should have been evident in how candidates answered the task, although candidates may have drawn on other skills as well when answering. When awarding Professional skills marks, the marker looked primarily at the professional skill being tested in the task requirement, but also looked at the general professionalism that candidates demonstrated (which includes consideration of logical, well-presented answers, which avoid unnecessary repetition and answer the question set). The marker also looked for answers to be presented in an appropriate tone for the recipient.

Exam performance

Overall, the standard of candidates' answers was poor. Candidates appeared to struggle with both technical knowledge and the application of their knowledge to the case studies and demonstrated a generally weak exam technique across the examination.

Performance was poor across both questions of the examination with candidates struggling more with question 2. Overall, there did not appear to be evidence that candidates struggled to complete the exam within the given time or failed to understand the required tasks.

In previous sittings of the examination, the main reason that unsuccessful candidates did not pass was predominantly linked to a lack of application in their answers, but in this sitting there was also more

evidence of a general lack of technical knowledge particularly in relation to data analytics, agency theory, and financial reporting.

In relation to exam technique, candidates should refrain from starting their answer by repeating the question or copying content from the scenario. This does not score marks. Candidates are advised to directly answer the question as detailed in the requirement, making specific reference to the company and scenario presented. Application is an important part of the answer. Understanding and referencing elements from the scenario to support the points made in your answer will help generate marks. Candidates should also consult the mark allocation to help them consider how many points will be required to secure a passing mark. In this exam sitting, many answers were too brief to score sufficient marks.

In previous sittings, the two main recommendations from the examining team have been:

1. Spending more time on the practice questions provided, both those within the learning materials and past examination resources available online, with particular focus on attempting these under exam conditions.
2. Accessing and utilising the available tuition where possible.

Whilst these remain as key recommendations, the examining team also stress the importance of individuals preparing to sit the ICMAP Pathway Exam dedicating sufficient time to fully cover and become comfortable with the technical topics across the whole syllabus, as well as the application of these to real business scenarios. The IPE examination sits at a post-graduate level and the available past exams, examiners' reports and debriefs should provide a clear guide as to the level of answer required to successfully pass the exam.

The examining team have highlighted the following requirements for specific comment:

Requirement 1c) asked candidates to prepare an email that referred to the types of data analytics presented within Exhibit 3 analysing relevant examples of how each type of data analytics could be applied to PE and how PE's use of data analytics benefits the students.

Many candidates were unable to demonstrate their understanding of the different types of data analytics, even though the exhibit contained a brief explanation of each type. The question required examples for each type of data analytics. Therefore, candidates were required to assess PE's business and consider how PE could utilise each of the different types of data analytics. Many candidates simply attempted to explain the types of data analytics with no application to PE.

In terms of the benefit to PE's students, many candidates referred to how the students could actually use data analytics, which was not the focus of the question. The question required candidates to identify how PE's use of data analytics could benefit PE's students in the future. Candidates are reminded to thoroughly read the requirements to ensure they answer the question asked.

Requirement 2b) asked candidates to prepare a briefing paper for the board of directors that discussed the agency relationship present between SIP (an investor in EBS) and EBS, and how SIP may influence other institutional investors of EBS in relation to the greenwashing allegations made against them.

Many candidates were unable to demonstrate an understanding of the agency relationship between a company and its shareholders. Therefore, without this understanding of the relationship, it was very difficult to then apply that to SIP and EBS. Some candidates identified the agent and the principal role and correctly assigned those roles to SIP and EBS, but further extension and discussion of this relationship was required to satisfy the requirement.

Many candidates did not identify and discuss how SIP could influence other institutional investors. Instead, many discussed SIP's shareholding within EBS. However, the question required candidates to identify how SIP could exert their influence with other institutional investors and the different methods that may be employed. Candidates must study and revise all areas of the syllabus ensuring they can discuss the nature of the principal-agent relationship in the context of governance.

Requirement 2c) required candidates to prepare a confidential email to the chair of the board advising how EBS should account for the proposed closure of six retail stores as well as the potential closure of a further eight stores.

Many candidates did not provide any advice in relation to how these two issues should be accounted for. There was a difference between the two issues as one issue had been decided and disclosed by EBS (the closure of six stores), and the other issue was based on an informal discussion (the potential closure of eight stores). Candidates were required to provide advice on both issues.

Advice on the first issue should have included reference to accounting standards and what should happen in terms of the accounting treatment and disclosure in the financial statements of EBS. For the second issue, no accounting action was required as no decision had formally been made at that point. Many candidates discussed what was already provided in the scenario and did not answer the requirement, which did not score marks.