

THE EXAMINATION SYSTEM

CPA - CAREER MOVE WORTH MAKING

The CPA Ireland qualification is competency-based. Both this Syllabus of Examination and the CPA Ireland education and training programme are underpinned by the CPA Ireland Competency Profile, which has resulted from the Institute's research into what makes accountants effective at strategic level in business and in practice. The Profile specifies two dimensions: the range of knowledge/skills needed by CPAs and the depth of expertise required. It also defines the personal attributes essential for the delivery of professional services to the highest international standards.

Prior to qualification, these are acquired by CPA Ireland students through an examination syllabus and a defined training regime. Post-qualification, further development occurs through a mandatory Continuing Professional Development (CPD) programme and exposure to more complex work situations.

This approach is of increased relevance because in the modern business environment there are ever more demanding expectations of what is required from a professional accountant. These arise, in part, from the rapidly changing business landscape, business innovation, advances in technology, greater exposure to ethical challenges, complex regulation, increased volume and complexity of standards, globalisation, commitment to lifelong learning and more diverse education and learning opportunities.

All Certified Public Accountants, regardless of when qualified, will be distinguishable by their ethical values, professionalism and ability to work effectively with people. Such behavioural attributes fall into three categories:

1. Professionalism and Personal Ethical Standards (covering the areas of values and objectivity).
2. Sensitivity to Business Needs (covering how CPAs view and interact with the business environment).
3. Interpersonal Effectiveness (covering how CPAs work with others to add value).
4. In summary, the effectiveness of Certified Public Accountants is achieved through the integration of a robust education and examination process with a rigorous, supervised training programme.

Integration with the Training Process

The integration and interdependence of learning across subjects is now more explicitly highlighted than heretofore. The syllabus for each subject shows in a diagram how these linkages occur. Other features of the education and training processes are:

The learning outcomes are specified in the syllabus for each subject.

The Competency Profile details the competencies required of an entry level Certified Public Accountant. Many of the competencies required of an entry-level accountant are assessed through the examination process.

Other competencies, by their nature, may be evaluated only in the work place through a supervised training regime. These may include non-technical competencies such as team working, leadership, effective communication skills and problem-solving capabilities.

The development of professional values, ethics and attitudes is an intrinsic and visible part of the education and training processes.

Recognition

This syllabus complies with the examination requirements of the European Union governing the approval of persons responsible for carrying out the statutory audits of accounting documents. The CPA Ireland qualification is also included in the Mutual Recognition Directive, giving CPAs access to the profession in other EU member states subject to an aptitude test in local law, taxation and language. CPA Ireland is a founding member of the International Federation of Accountants (IFAC) and the CPA Ireland syllabus supports the Educational Standards & Guidelines issued by IFAC.

The Institute also has mutual recognition agreements with CPA Australia, CGA-Canada, the Institute of Chartered Accountants India, the Institute of Chartered Accountants of Bangladesh and is statutorily recognised as an approved body of auditors in New Zealand. CPA Ireland also has signed Memorandums of Understanding with CPA Rwanda, CPA Zimbabwe, the Lithuanian Chamber of Auditors, CPA Bulgaria, CPA Sri Lanka and the Association of National Accountants of Nigeria (ANAN).

Assessment Methods

CPA Ireland students develop the required competencies through an integrated process of practical training and education, both of which have an assessment component. The adequate demonstration of competence on the job is formally attested to by training supervisors/mentors through the sign-off requirement in the training regime. The education element is assessed through computer-based examinations at the Formation 1 Stage and written examinations at the subsequent stages. The Assessment Strategy section within each syllabus details the examination approach, examination format and marks allocation. Mini case studies are introduced at the Formation 2 Stage. Questions are designed to examine students' performance with reference to real working environments.

Examination Structure

There are four stages of examinations:

Formation 1 (F1)

Formation 2 (F2)

Professional 1 (P1), and

Professional 2 (P2).

The subjects at each stage are shown in Figure 1.

Open Book Exams at Professional 2 Stage

At Professional 2 Stage, assessment is by open-book examinations of 3.5 hours' duration. Case studies are unseen by students prior to the examination.

Choice

CPA Ireland students at P2 Stage tailor the qualification to their chosen career path. In addition to two mandatory subjects shown in Figure 1, Advanced Corporate Reporting and Strategy & Leadership, they choose two from four elective subjects. Students

wishing to pursue a career in industry, in most instances, will elect for the Strategic Performance Management and Strategic Corporate Finance subjects in addition to the two mandatory subjects.

N.B. All students at P2 must sit and pass the two mandatory subjects plus two of the elective subjects. Students not intending to qualify for a practising certificate may choose to sit and pass any two of the four electives subjects. All students intending to subsequently qualify and apply for a practising certificate must sit and pass the Taxation subject and one of the other three electives subjects. All students wishing to qualify and apply for a Practising Certificate with Audit Qualification must sit and pass both the Auditing and Taxation elective subjects. There are other requirements that must be satisfied in order to obtain a practising certificate, details of which are available on the CPA Ireland website www.cpaireland.ie.

Progression Through the Examination Process

The Institute's Examination Regulations are available for consultation and / or download at www.cpaireland.ie. Some, but not all, of the key points relevant to each examination stage follow:

F1

Students at the F1 Stage have six diets of examinations in which to pass each individual subject. All subjects at the F1 Stage must be passed within three years before a student may progress to the F2 Stage.

F2, P1 and P2

Students are granted a maximum of four consecutive examination diets, within two years, to pass each examination stage, and

If unsuccessful within the specified period, they may not recommence that stage or progress to the next stage.

Have eight years to successfully complete all their examinations up to and including P2 from when they commenced the F2 Stage.

Figure 1

Stage	Subject	Stage	Subject
F1	Management in Organisation Economics and Business Planning Business Laws & Professional Ethics	P1	Managerial Finance Corporate Reporting Corporate Laws and Governance Auditing
F2	Management Accounting Financial Accounting Information Systems Taxation	P2	Strategy & Leadership (Mandatory subject) Audit Practice and Assurance Services (Elective subject) Advanced Corporate Reporting (Mandatory subject) Strategic Corporate Finance (Elective subject) Strategic Performance Management (Elective subject) Advanced Taxation (Elective subject)

Gap Year, F2 to P2

Students, subject to satisfying the Examination Regulations requirements, may take a gap year between examination stages.

Combined Examination Sitzings at the F2 and P1 Stages

Students, who upon registration as a student with the Institute, who were granted an exemption from an examination in at least one subject at either the F2 or P1 Stage may elect to combine examinations at both of these stages in the same diet of examinations. The following rules apply to Combined F2 and P1 sittings:

1. A maximum of four subjects may be taken in any diet of examinations. There is no lower limit.
2. Once a subject has been sat, it must be passed within the four available consecutive sittings, inclusive of the first sitting.
3. The combined F2 and P1 Stage must be passed within eight available consecutive sittings, inclusive of the first sitting.

4. F2 Management Accounting must be passed or have had an exemption granted before a student may apply to sit the P1 Managerial Finance examination.
5. F2 Financial Accounting must be passed or have had an exemption granted before a student may apply to sit the P1 Corporate Reporting examination.

The Examination Regulations published on the CPA Ireland website www.cpaireland.ie provide the necessary information about combining examinations at the F2 and P1 stages.

Modular System

Students may sit examinations on a modular basis within each stage and in any order. The F2 Stage examinations may only be attempted after the F1 Stage examinations have been completed and passed. Unless eligible to combine examinations at the F2 and P1 Stages, as explained above, the P1 Stage examinations may only be attempted once the F2 Stage examinations have been completed and passed. The P2 Stage examinations may only be attempted once the P1 Stage examinations have been completed and passed. Students have a maximum of six consecutive sittings inclusive of the first sitting to pass the examinations at the F1 Stage. A maximum of four consecutive sittings, inclusive of the first sitting, is available to students to pass each of the F2 to P2 stages.

Exemptions

Exemptions from some of the Institute's examinations may be granted to applicants who have already passed equivalent examinations. These are granted on a subject-for-subject basis. Details are available on the Institute's website www.cpaireland.ie.

Competency Levels

Each topic in each subject is assigned a competency level. Three levels are defined and these are referenced to the intellectual skills listed in the International Education Standard 3 issued by the International Federation of Accountants (IFAC). Questions and case-study scenarios in the Professional Stage examinations are framed so as to examine the learning outcomes with reference to real working environments. Where appropriate, the same approach is adopted in the examinations in the Formation Stages.

The three competency levels are grouped in ascending order:

1. Knowledge and Understanding (Ability to locate and acquire knowledge).
2. Application and Analysis (The ability to apply knowledge and understanding effectively to the analysis of complex and unfamiliar situations).
3. Synthesis and Evaluation (The ability to integrate knowledge with sound judgment in the critical evaluation of situations to develop creative solutions).

In general, Level 3 is the predominant level for subjects at P2 Stage, with students having progressed through levels 1 and 2 in the previous stages of the syllabus. The balance shifts to higher levels as students progress through the syllabus. This is not an absolute, as higher-level competencies are also required for some topics in the earlier stages of the syllabus and lower levels for some topics at the P2 Stage.

The above progression is reflected in the competency levels demonstrated in the workplace and assessed through the training process. Students learn to apply their knowledge and skills through a learning spiral which blends formal study with supervised training. This results in the demonstration of greater competency at work, leading to exposure to more complex tasks which develop critical analysis and judgment skills.

Booklists and Study Materials

Suggested reading material is listed for each subject. A wide range of appropriate reading and web-based material available in all subjects has been carefully considered. The list of learning resources will be updated when necessary and students will be informed of such amendments. Students are advised to acquire the recommended books which will be invaluable during study and will form the basis of a personal library after qualification. The value of a wide reading of books, journals, web-based research and Technical Standards as a further extension of knowledge is emphasised, as the learning resource list is not intended to be exhaustive. It is important to obtain the latest editions, where recommended. At Professional examination stages there is a requirement to demonstrate knowledge of relevant current developments. The syllabus does not necessarily set the boundary of knowledge required, students are expected to read widely from the financial press, periodicals, Accountancy Plus, (the official journal of the Institute), Student eBulletins, web based resources and other professional journals.

Additionally, specific academic texts, current research papers and learned journals are recommended to students preparing for the P2 Stage examinations. Details of these, including additions and/or revisions, are posted to the Syllabus and Exams area of the Institute's website each October.

Past Examination Papers and Suggested Solutions.

The Institute publishes past examination papers and suggested solutions on the CPA Ireland website. These are freely available for download.

New Legislation - the Six Months Rule

Questions involving the knowledge and application of new legislation are not asked within six months of enactment of the relevant legislation. Unless advised in the Examable Material Document this rule applies to the publication by the Institute of technical pronouncements on accounting, auditing and taxation.

Examinable Material Document

The Examinable Material Document showing which technical standards are examinable at each level in Accounting and Auditing is located on pages 92 to 99.

Special Types of Accounts

Questions requiring specialised detailed knowledge are not set regarding the accounts of insurance companies, shipping companies and building societies.

Case Law

Students are expected to have an understanding of and the ability to apply, as appropriate, the decisions of case law in the relevant subjects.

Calculators, Logarithm Tables and Templates

The use of calculators is permitted, provided they are not mains operated or do not have a print out facility or do not store text. Mobile phones or smart watches may not be used as calculators. Logarithm tables are available on request. Use of templates for flow charting etc. is allowed.

Open Book Exams

All the examinations at the P2 Stage are 'open book'. Candidates may bring to the examination any printed / written materials. The Examination Regulations contain more information on this.

Taxation

Students are expected to demonstrate in papers, other than the stated taxation papers, the implications of taxation in such matters as investment appraisal, preparation of accounts etc. They are not required to memorise the various taxation allowances, which are provided (if necessary) at the examination.

Financial Accounting Papers

In Financial Accounting examinations 'pro forma' Statements of Profit or Loss and other Comprehensive Income and Statements of Financial Position are issued, where necessary.

Case Studies

At the professional examination stages examiners test students on their ability to:

1. Present well-structured written reports
2. Critically analyse problems and suggest appropriate solutions
3. Evaluate alternative courses of action and make recommendations
4. Integrate knowledge across different subject areas.

Students may expect questions presented in case-study format to test these important skills and competencies.

Amendments to the Syllabus

The Institute reserves the right to decide on amendments to the syllabus between annual publication dates. Such amendments will be published in *AccountancyPlus* (the official journal of the Institute) and on the CPA Ireland website.

Examination Regulations

The examination regulations for students are set out on the Institute's website www.cpaireland.ie. All students must read, understand and abide by these. Clarification on any aspect of these regulations may be obtained from the Institute's Examinations Executive.

How the Institute communicates with students

To help students achieve their full potential, the Institute operates an "Open Door" policy in dealing with queries and specific problems encountered by students. Annually, a representative from the Institute visits students attending courses in the approved centres of education. These visits give students an opportunity to communicate their views directly to the Institute. Post-examination feedback is sought from students twice yearly, through the online examView process and

reviewed by the Education and Training Committee before examination results are finalised.

At the commencement of each academic year, the Institute operates a process (the Educators Briefing) through which examiners give feedback to approved CPA Educators on examination performance issues and outline the education priorities for the coming year. A summary of these is then published on the CPA website. The Institute believes that this is an important line of communication and an effective way to give direction and support to all educators.

An annual Educators' Conference is also held. Approved CPA educators are invited to attend, along with examiners, moderators, members of the Institute's Education and Training Committee and representatives from the Education and Training Department. The main purpose is to align the education and examination processes so as to facilitate the development of the CPA Ireland student.