



Top Ten



Most Likely Unseen Issues

OCS - FireWorks



Basis of my choice

Focus in the pre-seen

- Space devoted to the issue
- Degree of importance attached to it by the examiner

Strategic importance

- Importance to SWOT
- Importance likely to be attached by directors

My experience

- Past exams
- Typical issues
- How easy it is to examine



How to prepare for these issues

**Prepare key models from
pre-seen information**

Remember to adapt all
models for new points in
unseen

**Find relevant real life
examples**

Prepare sample
paragraphs
Learn them!

**Sit mock exams that
cover the key issues**

**Be prepared for which
models to use to
support the issue**

Learn typical key points

Advantages and
disadvantages



Financial reporting





Basis of choice

- Key F1 syllabus area
- Always examined
- Manufacturing



Likely issues

- Asset purchase or disposal
- Delivery fleet
- Revaluation
- Inventory valuation



Key points to raise

- Apply the standard requirements
- Note the impact on financial statements
- Get your debits and credits right!
(DEADCLIC)



Relevant theory

- IAS 36 PPE
- IFRS 5 (for disposals)
- IFRS 16 Leases
- IAS 2 Inventory
- Capital allowances on assets



Variance analysis





Basis of choice

- Frequently examined
- Important P1 topic
- Budget information in the pre-seen



Likely issues

- Sales variances
- Material variances
- Labour variances
- Fixed overhead variances



Key points to raise

- How variances would be calculated
- Drawing conclusions
- Reasons for variances
- Accuracy of budgets
- Limitations of analysis



Relevant theory

- Material price and usage variances
- Labour rate and efficiency variances
- Fixed overhead expenditure, volume, capacity, and efficiency variances
- Sales price and volume variances
- Forecasting