



## CTSI Professional Competence for accountants

### Stage 1: Unit 3 Application of the Resolving Examiner's Report May 2022

#### General

57 Candidates sat the exam in May 2022, marks ranged from 30 up to a fantastic 83 achieved by 2 candidates. There is a lot of material to study for this paper and candidates who have taken the exams during this cycle have still been facing some of the challenges brought about by the pandemic and have had all of their study via remote learning.

Overall, most candidates showed a good understanding of the syllabus for Unit 3, but some students failed to demonstrate a detailed knowledge in the key areas of the syllabus in particular CPRs, ICACS, Due Diligence and Powers. Some general feedback that applies to all candidates is time management,

that the candidate had run out of time on some questions having spent far too much time writing detailed answers for Section A questions. Another important piece of feedback is not only to read the question, but also to understand what the question is looking for.

Candidates have a limited time so it is essential that they stick to the relevant points, if the questions asks for an explanation this should be in your own words not reciting definitions, if it asks for case law or examples remember to include them. You can only be awarded marks for including points that relate to the question. A number of candidates strayed way off topic or gave answers which did not relate to the question at all. Whilst it can be tempting to fill the page with the things you can remember, this is very unlikely to gain marks and candidates should focus that time on other questions. Finally, try to formulate a structured answer and deal with points in order rather than mixing all together, unless otherwise indicated by the question, write in sentences and paragraphs not bullet points (unless you're running out of time and you may then pick up basic marks).

#### Section A

**Q1** 35 candidates answered question 1, marks ranges from 2 to 9.

Reg 5 - marketing which creates confusion with other traders products, TM, trade names etc. and failure to comply with commitments in code of conduct. There were a number of cases which could have been used e.g. Warwickshire CC v Halfords Autocentres Ltd (2018), Motor Depot Ltd & Wilkinson v Kingston Upon Hull City Council (2012) EWHC, R V Mears (2011).

Q2 35 candidates answered question 2. Marks ranges from 3 to 7

**Q6** 33 candidates answered question 6. Marks ranged from 3 to 10

Again, popular with more than half of the candidates and some good answers, most over half marks with another 8 candidates achieving full marks. This was a basic price marking question, the first part asked candidates to explain how prices should be indicated. There were four marks for this part, candidates were expected to include that it must be positioned seek assistance, unambiguous, easily identifiable and clearly legible, and in proximity to the product or a visual or written description. The second part of the question deals with exemptions, candidates were asked to identify 3 exemptions and the rationale for them. Much like Q5, there were lots of options to choose from and most candidates included the more common ones such as auction sales, antiques and window displays where the rationale were more obvious.

## Section B

**Q7** 41 candidates answered Q7. Marks ranged from 7 to 32

Unsurprisingly, this was one of the more popular Section B questions and should have been relatively easy for all candidates being a core part of the syllabus and important to most areas of enforcement work. However, marks were pretty evenly spread with half of those candidates that attempted the question not reaching half marks and only 3 candidates giving really good answers. The first part of the question for 15 marks asked candidates to outline the powers when enforcing legislation such as the CPRs. Firstly, correct identification of the CRA Sch 5 and some discussion around enforcers and applicable legislation was expected, although the question referred to the CPRs the powers in the CRA apply to many other pieces of legislation and candidates were expected to acknowledge this by referencing para 10 and 11. Disappointingly, a couple of candidates did not refer to the CRA at all, instead referencing powers under the CPRs (replaced in 2015) or PACE (not applicable). To gain the rest of the marks for part a) candidates simply needed

lot of the candidates, it asked them to explain (to an accompanying police officer) powers to be used in the scenario and how the visit and seizure were to be carried out.

This should have included further information specifically regarding para 23 and 25 in relation to entry and inspection, and para 28 and 29 in relation to seizure. This gave candidates the opportunity to show their knowledge of the practical requirements advance notice (or not), reasonable time, other persons etc. and to explain how the power of inspection equates to a power of search (*Helidon Vuciterni v Brent Mag Court*), and explore what was required for the particular scenario examining prices, requesting docs, what might be seized and how would this be done. As with other questions on powers, additional marks can always be gained by referencing associated legislation such as PACE and CPIA.

**Q8** Question 8 was attempted by 45 candidates. Marks ranged from 9 to 28

The most popular section B question, with 17 candidates scoring over 20 marks which is respectable. A good knowledge of the scope and definitions in the legislation was required to achieve good marks, as with most scenario questions, initial marks are available for outlining how the legislation applies and any definitions that are relevant, in this case, commercial practice, average consumer, off-premises contracts were important to include, as well as consideration of whether Mike was a vulnerable consumer. The weaker candidates, or those running out of time omitted these and failed to pick up the marks available. This was a typical doorstep crime scenario with numerous potential offences, the best way to approach these is by looking at the sequence of events and highlighting the potential offences in order. There were potential banned practices in relation to the NCCZ, misleading actions on the leaflet and statements made by the trader as well as several potential aggressive practices and professional diligence. The weaker answers missed

