



Chartered
Accountant
SINGAPORE

ADVANCED FINANCIAL REPORTING

FOUNDATION PROGRAMME

Study Guide: 2026-2027 edition



The contents of this study guide are intended as a guide and not professional advice. Although every effort has been made to ensure that the contents of this guide are correct at the time of going to press, the Accounting and Corporate Regulatory Authority makes no warranty that the information in this guide is accurate or complete and accepts no liability for any loss or damage suffered by any person acting or refraining from acting as a result of the material in this guide.

The copyright in this publication is owned by the Accounting and Corporate Regulatory Authority.

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means or stored in any retrieval system, electronic, mechanical, photocopying, recording or otherwise without the prior permission of the copyright owner.

© Accounting and Corporate Regulatory Authority 2026

Contents

	Page
Introduction	
Module Assessment	4
Module Objective	4
Assumed knowledge and Pre-requisites	4
Recommended Textbooks	4
Studying for the Singapore CA Qualification (Foundation)	
Using the Study Guide and the Recommended Textbooks	6
Planning your Study Programme	6
Module Syllabus	
Module at a Glance	8
Cognitive Levels	9
Using the Study Guide	10
Appendix A - Common verbs used by the Examiners	18

About the Institute of Singapore Chartered Accountants (ISCA)

The Institute of Singapore Chartered Accountants (ISCA) is the national accountancy body of Singapore. Established in 1963, ISCA administers the Singapore Chartered Accountant Qualification programme and is the designated entity to confer the Chartered Accountant of Singapore [CA (Singapore)] designation.

ISCA supports over 43,000 members across industries in Singapore and globally, with members in more than 40 countries. With a growing international presence, ISCA has 12 overseas chapters, 7 offices across 10 countries and a network of over 150 strategic partners, strengthening professional connections and opportunities across borders. ISCA is also a member of Chartered Accountants Worldwide, a global network representing more than 1.8 million Chartered Accountants and students across over 190 countries.

ISCA advances professional development and lifelong learning through ISCA Academy, its training arm, and drives community impact through ISCA Cares, its charity arm.

For more information, visit: www.isca.org.sg.

The Accounting and Corporate Regulatory Authority

The Accounting and Corporate Regulatory Authority (ACRA) is the regulator of business registration, financial reporting, public accountants, and corporate service providers. We are also responsible for developing the accountancy sector and setting the accounting standards for companies, charities, co-operative societies, and societies in Singapore. ACRA fosters a vibrant and trusted business environment that enables innovation and growth and contribute towards making Singapore the best place for business.

ACRA was formed as a statutory board on 1 April 2004, following the merger of the Registry of Companies and Businesses (RCB) and the Public Accountants' Board (PAB). This merger sought to achieve synergies between the monitoring of corporate compliance with disclosure requirements and the regulation of public accountants performing statutory audits.

On 1 April 2023, ACRA, the Singapore Accountancy Commission (SAC) and the Accounting Standards Council (ASC) merged as one entity, taking on the name, ACRA. The merger aimed to strengthen the effectiveness of regulation, standards-setting, and sector development by harnessing synergies across complementary accountancy-related functions.

For more information, visit: www.acra.gov.sg

The Singapore CA Qualification

The Singapore Chartered Accountant Qualification (SCAQ) is Singapore's national professional accountancy qualification, designed to develop business leaders. It is internationally recognised through Reciprocal Membership Agreements with world-renowned Chartered Accountant (CA) Professional Bodies in Australia, New Zealand, Ireland, Scotland, and the United Kingdom; and provides an Asian perspective.

Completion of SCAQ opens the way to full membership with the Institute of Singapore Chartered Accountants (ISCA) which is required in order to be conferred the Chartered Accountant of Singapore – CA (Singapore) designation.

SCAQ was developed by the Singapore Accountancy Commission (SAC) in 2013. On 1 April 2023, SAC, the Accounting & Corporate Regulatory Authority (ACRA) and the Accounting Standards Council (ASC) merged as one entity, taking on the name ACRA. The merged ACRA is responsible for the growth and development of the accountancy sector and its related fields in Singapore, including SCAQ.

Introduction

The Study Guide helps Candidates to be better prepared for the Singapore CA Qualification examinations. The Study Guide provides guidance to Candidates on how to use the recommended textbooks.

Module Assessment

The Foundation Programme is assessed by way of centralised examinations. These standard national examinations are applicable to all Candidates. Each module will be assessed by way of a 2 hour and 30 minutes restricted open-book Multiple-Choice Question (MCQ) examination. There will be fifty questions, including standalone and short case-based questions.

Module Objective

The Advanced Financial Reporting module builds upon the knowledge and skills studied in the Principles of Financial Reporting module. Upon successful completion of this module, Candidates will be able to demonstrate sound knowledge of and apply the Conceptual Framework and the Singapore Financial Reporting Standards (International) (SFRS(I)s) to produce a complete set of financial statements for single entities and simple groups, including basic notes to the accounts. Candidates will also be able to explain and advise on the application of the SFRS(I)s, including the appropriate treatment and disclosure of hedge accounting, demonstrating appropriate professional judgment.

Assumed Knowledge and Pre-requisites

Successful completion of the Principles of Financial Reporting module is strongly encouraged before enrolling in the Advanced Financial Reporting module and the Assurance module.

Recommended Textbook

There is no prescribed learning materials for each of the Foundation Programme modules. Candidates should make use of the Recommended Textbooks to deepen their knowledge and understanding of the topics and learning outcomes. This study guide maps out the module Learning Outcomes to the various chapters and sections found within the recommended Textbooks that you would find useful and relevant in your studies and work.

The Recommended Textbook are as follows:

No	Textbook	Authors	Publisher	Edition
1.	Intermediate Accounting (IFRS® Standards Edition)	David Spiceland, Wayne B. Thomas, Mark W. Nelson, Pearl Tan, Bernardine Low and Kin Yew Low	McGraw-Hill	3 rd Edition
2.	Advanced Financial Accounting - An IFRS Standards Approach	Pearl Tan, Lim Chu Yeong, Kuah Ee Wen	McGraw-Hill	4 th Edition

As the textbooks are not customised for the Singapore CA Qualification, there are learning outcomes not covered by the text books. The Study Guide has aligned such learning outcomes to publicly available references. Candidates may refer to other sources to supplement your learning.

In addition to the above references, Candidates should make use of other resources like the Examiners' Guide published on the SCAQ website and Essential Reading listed in this Study Guide.

Studying for the Singapore CA Qualification (Foundation)

Candidates may choose the following mode of study for the Singapore CA Qualification (Foundation):

- (a) Attend tuition courses with a Registered Learning Organisation – Foundation Programme (RLO-FP); or
- (b) Self-study.

For more information, visit:

[Home | The E-Learning Portal for Singapore CA Qualification \(SCAQ\) Candidates](#)

Attending the preparatory or revision classes conducted by the RLO-FPs may help you to better prepare for the Singapore CA Qualification (Foundation) examinations.

The list of RLO-FPs is available on the SCAQ website. For more details regarding course fees, schedules, and duration, please visit the respective RLO-FP websites.

Using the Practice Papers with Multiple-Choice Question (MCQ) format

Note that from June 2026, all Foundation Programme modules will adopt an objective testing assessment format using MCQ exams, providing a more consistent and accessible assessment experience.

The program is being refreshed to equip candidates with future-ready skills and knowledge, align with global professional standards and to ensure consistency in coverage

Using the Study Guide and the Recommended Textbooks

Utilising the Study Guide and the Recommended Textbooks together for studying the Singapore CA Qualification will:

- help you navigate and achieve the module learning outcomes to obtain insightful commentary and explanatory details of the module topic;
- increase your comprehension and organise your understanding through the module topic and practice with application-based examples; and
- prepare you for a successful exam, while providing the knowledge you can put into action at work right away.

Planning Your Study Programme

Each semester is approximately 13 weeks long. You should establish your own detailed study plan that fits in with your work and other commitments. There are two distinct periods during the semester that you should take note of:

- i) gaining knowledge and developing your application skills and
- ii) revising for the examination, which includes honing your application skills.

A sample study plan might be to divide the semester into two with:

- The first ten weeks spent gaining knowledge and developing your application skills; and

- The final three weeks spent revising for the examination and doing practice exam questions.

Using this sample study plan, you would then divide the number of topics by ten and plan to work through each topic accordingly. As you complete each topic, you should also attempt the corresponding practice questions from the Textbooks.

This approach will help you establish whether you have understood the concepts thoroughly and reinforces the knowledge and skills gained.

Once you have read all the relevant sections from the Recommended Textbooks, as well as the other suggested reading materials and worked through the topic-specific questions from the Textbooks, you should then switch to intense revision mode and start preparing yourself for the examination.

The past year examination questions also help you get prepared for your examination. You should attempt each question as if it were the real examination, limiting the time allowed to complete, and being honest with yourself when you compare your answer to the answer suggested. As part of your revision, you should refer to the Recommended Textbooks and other essential reading materials to ensure that you have fully understood the concepts and noted any exceptions.

In terms of time invested, it is recommended that you spend 100 hours on gaining knowledge and developing your application skills (approximately 10 hours a week for the first 10 weeks of the semester). The last three weeks should be devoted to intensive revision and exam practice. At a minimum, you should plan to invest at least 12 hours each week in the three weeks leading up to the examination.

Module Syllabus

ADVANCED FINANCIAL REPORTING

Financial Reporting Framework	4 Hrs	7%
Recognition of the Elements of Financial Statements	8 Hrs	13%
Financial Assets and Financial Liabilities	12 Hrs	20%
Consolidated Financial Statements	32 Hrs	53%
Foreign Operations	4 Hrs	7%

* Estimated study hours only serve as a guide for the Candidates.

THE MODULE AT A GLANCE

- A** Explain the importance of ethical behaviour in the context of Financial Reporting and be able to apply ethical guidelines for professional accountants.
- B** Describe and apply the appropriate measurement and recognition criteria for the elements of the financial statements, as required by the Singapore Financial Reporting Standards and related pronouncements and interpretations (e.g. Illustrative Examples, Guidance on Implementing, Interpretation of SFRS(I)) issued by the Accounting Standards Council.
- C** Demonstrate the appropriate treatment and disclosure relating to derivatives, hedge accounting, financial instruments and fair value measurement.
- D** Prepare consolidated financial statements with subsidiaries and associates under a business combination, including basic notes to the accounts.
- E** Account for the effects of changes in foreign exchange rates for groups with foreign operations.

ESSENTIAL READING

SFRS(I) 1-1 *Presentation of Financial Statements*

Appropriate sections from specific SFRS

Relevant sections from Ethics Pronouncement 100 (EP 100) the ISCA *Code of Professional Conduct and Ethics*

The financial press in relation to emerging trends and current issues

SPECIFIC EXCLUSIONS

The following Singapore Financial Reporting Standards (International) are excluded from this module.

SFRS(I) 1-20	Accounting for government grants and disclosure of government assistance
SFRS(I) 1-26	Accounting and reporting by retirement benefit plans
SFRS(I) 1-29	Financial reporting in hyperinflationary economies
SFRS(I) 1-33	Earnings per share
SFRS(I) 1-34	Interim financial reporting
SFRS(I) 1-41	Agriculture
SFRS(I) 4	Insurance contracts
SFRS(I) 6	Exploration for and evaluation of mineral resources
SFRS(I) 8	Operating segments

Module Syllabus

Cognitive Levels (CL)

This document includes learning outcomes which Candidates are expected to achieve. Each learning outcome is identified with a cognitive level ranging from 1 to 3. The cognitive levels are described below:

Cognitive level 1

An ability to communicate sound knowledge and insight in relation to emerging trends, current issues and regulatory changes, with some practical application.

Cognitive level 2

An ability to analyse and apply knowledge to moderately complex scenarios that a Candidate would be likely to encounter in the workplace to derive the best possible outcome.

Cognitive level 3

An ability to demonstrate an elevated level of application of knowledge, as well as synthesise and evaluate information in more complex scenarios in order to arrive at value-added solutions.

This cognitive level gives an indication of the intellectual depth which Candidates are expected to achieve.

The technical modules in the Professional Programme are designed at postgraduate level and build on knowledge, skills and values achieved during the prior tertiary studies. The technical modules are designed to develop higher order skills of application, analysis, synthesis and evaluation. For this reason, there are very few learning outcomes with cognitive level 1.

Core and non-core learning outcomes

In addition to the CL, each learning outcome is defined as core or non-core to distinguish between fundamental or supplemental knowledge and skills prescribed in this module.

Core learning outcomes

These are essential learning outcomes which Candidates are expected to achieve in order to gain competency in the described module objective.

Non-core learning outcomes

These are learning outcomes which supplement the core learning outcomes that will equip Candidates with a holistic understanding of the module.

Using the Study Guide

No	ADVANCED FINANCIAL REPORTING MODULE			Chapter where covered		
				Intermediate Accounting (IFRS)	Advanced Financial Accounting: (IFRS)	Other references
				(3 rd Edition)	(4 th Edition)	
<i>Learning Outcomes</i>	<i>CL</i>	<i>Core</i>				
A	FINANCIAL REPORTING FRAMEWORK					
A1	Compliance and Ethics in Financial Reporting					
1	Assess the relevance and importance of ethical and professional issues in complying with accounting standards.	1	C	Covered throughout the chapters	Covered throughout the chapters	Weblink: https://isca.org.sg/member-obligations/isca-code-of-professional-conduct-and-ethics
2	Appraise the potential ethical implications of professional and managerial decisions in the preparation of financial reports, in line with Ethics Pronouncement 100 (EP 100) the ISCA Code of Professional Conduct and Ethics	2	C			
3	Identify and recommend an appropriate course of action arising from ethical dilemmas in financial reporting.	2	C			
4	Assess the consequences of not upholding ethical principles in the preparation of financial reports	2	C			
A2	EMERGING TRENDS AND CURRENT ISSUES					
5	Demonstrate awareness of both domestic and international current developments.	2	NC	—	—	Weblink: https://www.acra.gov.sg/news-events/news-announcements/2026-asc-news/
B	REGOCNITION OF THE ELEMENETS OF FINANCAL STATEMENTS (Chapter 4 of the Conceptual Framework)					

ADVANCED FINANCIAL REPORTING MODULE				Chapter where covered		
				Intermediate Accounting (IFRS)	Advanced Financial Accounting: (IFRS)	Other references
				(3 rd Edition)	(4 th Edition)	
No	Learning Outcomes	CL	Core			
B1	Impairment of Assets (SFRS(I) 1-36)					
6	Evaluate the impairment test for all classes of assets under the relevant accounting standard appropriate to that class of asset.	2	C	Chapter 7 Part B	—	SFRS(I) 1-34 Impairment of Assets Whole standard
7	Calculate the impairment losses for all classes of assets under the relevant accounting standard appropriate to that class of asset.	2	C		—	
8	Evaluate sensitivity of an impairment analysis to the exercise of professional judgement, use of assumptions and critical estimates.	2	C		—	
9	Identify and explain the concept of a cash-generating unit.	1	C		—	
10	Explain the need for impairment testing to be done at the smallest cash-generating unit level.	1	NC		—	
11	Allocate impairment losses for a cash-generating unit.	2	C		—	
B2	Construction Contracts (under SFRS(I) 15 Revenue from Contracts with Customers)					
12	Explain the concept of satisfying a performance obligation and the recognition of corresponding revenue and costs over time.	1	C	Chapter 5 Whole Chapter	—	—
13	Identify the relevant revenue and costs to be recognised in a construction contract.	2	C		—	—
14	Calculate the amount of revenue and costs to be recognised	3	C		—	—

ADVANCED FINANCIAL REPORTING MODULE				Chapter where covered		
				Intermediate Accounting (IFRS)	Advanced Financial Accounting: (IFRS)	Other references
				(3 rd Edition)	(4 th Edition)	
No	Learning Outcomes	CL	Core			
	where the expected contract outcome is a profit, loss or unknown					
B3	Intangible assets (including Goodwill under SFRS(I) 1-38)					
15	Identify the recognition and measurement issues for Intangible Assets under SFRS(I) 1-38.	1	C	Chapter 6 Part A	—	—
16	Account for the impairment of Intangible Assets under SFRS(I) 1-36	2	C		—	—
17	Account for the amortization of Intangible Assets under SFRS(I) 1-38	2	C		—	—
18	Present and disclose Intangible Assets in the financial statements	2	C		—	—
B4	Non-current assets held for sale and Discontinued Operations (SFRS(I) 5)					
19	Explain the difference between non-current assets held for sale or distribution to owners and discontinued operations.	1	NC	Chapter 7 Part B	—	SFRS(I) 5 Non-current Assets Held for Sale and Discontinue d Operations Para 6 to 42
20	Determine when to classify non-current assets as being held for sale or distribution to owners.	2	NC		—	
21	Apply the measurement criteria to non-current assets held for sale or distribution to owners and discontinued operations.	2	C		—	
22	Present and disclose non-current assets held for sale or	2	C		—	

ADVANCED FINANCIAL REPORTING MODULE				Chapter where covered		
				Intermediate Accounting (IFRS)	Advanced Financial Accounting: (IFRS)	Other references
				(3 rd Edition)	(4 th Edition)	
No	Learning Outcomes	CL	Core			
	distribution to owners and discontinued operations					
B5	Related Parties (SFRS(I) 1-24)					
23	Identify the parties considered to be related to an entity.	1	NC	—	—	SFRS(I) 1-24 Related Party Disclosures Para 9 to 24
24	Identify the implications of related party transactions and the need for disclosure.	1	NC	—	—	
C	FINANCIAL ASSETS AND FINANCIAL LIABILITIES					
C1	Derivatives and Hedging (including SFRS(I) 7, 9, 13 and SFRS(I) 1-32, 1-39)					
25	Account for derivative financial instruments and simple embedded derivatives.	2	NC	—	Chapter 9 Whole Chapter	—
26	Outline the principles of hedge accounting.	1	NC	—	Chapter 10 Whole Chapter	—
27	Assess hedge accounting criteria including qualifying hedging instruments, qualifying hedged items and hedge effectiveness.	3	C	—		—
28	Account for fair value hedges, cash flow hedges, hedges of investments in foreign operations.	3	C	—		—
29	Assess and account for financial liabilities and equity under SFRS(I) 1-32.	3	C	—	Chapter 10 Whole Chapter	—
30	Evaluate and determine the impairment for financial assets under SFRS(I) 9.	3	C	—		—

ADVANCED FINANCIAL REPORTING MODULE				Chapter where covered		
				Intermediate Accounting (IFRS)	Advanced Financial Accounting: (IFRS)	Other references
				(3 rd Edition)	(4 th Edition)	
No	Learning Outcomes	CL	Core			
31	Identify and disclose risks related to financial instruments within scope of SFRS(I) 7.	2	C	—		—
32	Apply fair value measurement standard SFRS(I) 13.	2	C	—		—
C2	Share-Based Payment Transactions and Arrangements (SFRS(I) 2)					
33	Discuss the recognition criteria for share-based payment transactions and arrangements.	2	C	Chapter 15 Part A	—	—
34	Apply the measurement criteria for share-based payment transactions and arrangements.	3	C		—	—
35	Account for modifications, cancellations, and settlements of share-based payment transactions and arrangements.	2	NC		—	—
D	CONSOLIDATED FINANCIAL STATEMENTS (SFRS(I) 3, 10, 11, 12, and 1-28)					
D1	Introduction to Business Combinations					
36	Describe the role and purpose of consolidated financial statements.	1	C	—	Chapter 2 Whole Chapter	—
37	Identify and outline the circumstances in which a group is required to prepare consolidated financial statements in relation to the concept of control as per SFRS(I) 10.	3	C	—	Chapter 2 Whole Chapter	—
38	Identify and apply the criteria used to distinguish between a subsidiary and an associate.	2	C	—		—

ADVANCED FINANCIAL REPORTING MODULE				Chapter where covered		
				Intermediate Accounting (IFRS) (3 rd Edition)	Advanced Financial Accounting: (IFRS) (4 th Edition)	Other references
No	Learning Outcomes	CL	Core			
D2	Consolidation of financial statements					
39	Apply the acquisition method of accounting for business combinations (SFRS(l) 3).	2	C	—	Chapter 3 Whole Chapter	—
40	Explain and calculate the determination of goodwill.	2	C			—
41	Apply the principles in determining the fair value of consideration transferred.	2	C	—		—
42	Prepare acquisition date consolidation adjustments relating to the elimination of investment.	2	C	—	Chapter 4 Whole Chapter	—
43	Prepare consolidation adjustments to account for non-controlling interests.	2	C	—		—
44	Prepare the Proof of balances (analytical check) for Non-controlling Interests and Retained earnings.	2	C	—	Chapter 6 Whole Chapter	—
45	Determine and apply appropriate consolidation procedures to be used in preparing group financial statements, including statements of cash flows.	2	C	—	Chapter 7 Whole Chapter	—
D3	Post-Acquisition and Intra-Group Transactions					
46	Prepare post-acquisition consolidation adjustments on acquisition date fair value differentials.	2	C	—	Chapter 4 Whole Chapter	—
47	Prepare the necessary consolidation adjustments relating to deferred tax adjustments.	2	C	—	Chapter 11 Whole Chapter	—

ADVANCED FINANCIAL REPORTING MODULE				Chapter where covered		
				Intermediate Accounting (IFRS)	Advanced Financial Accounting: (IFRS)	Other references
				(3 rd Edition)	(4 th Edition)	
No	Learning Outcomes	CL	Core			
48	Distinguish how pre-acquisition and post-acquisition reserves affect the consolidation process.	2	C	—	Chapter 4 Whole Chapter	—
49	Prepare consolidation adjusting entries for intragroup transactions and balances.	3	C	—	Chapter 5 Whole Chapter	—
50	Apply the recognition and measurement criteria for identifiable acquired assets and liabilities and goodwill on business combinations, excluding situations where business combinations are achieved in stages.	2	C	—	Chapter 7 Whole Chapter	—
D4	Associates and equity accounting					
51	Explain the concept of significant influence.	2	C	—	Chapter 2 Whole Chapter	—
52	Apply the equity method of accounting for associates.	2	C	—	Chapter 6 Whole Chapter	—
53	Prepare the equity accounting entries for an entity's investment in associate.	2	C	—		—
54	Prepare a Proof of balances (analytical check) for investment in associate.	3	C	—	Chapter 6 Whole Chapter	—
55	Outline and apply the key definitions and accounting methods, which relate to interests in joint arrangements.	2	NC	—	Chapter 7 Whole Chapter	—
E	FOREIGN OPERATIONS					
E1	Foreign Operations					

ADVANCED FINANCIAL REPORTING MODULE				Chapter where covered		
				Intermediate Accounting (IFRS) (3 rd Edition)	Advanced Financial Accounting: (IFRS) (4 th Edition)	Other references
No	Learning Outcomes	CL	Core			
56	Outline the concepts and foreign exchange rates used in the translation of foreign operations into the group's presentation currency.	1	C	—	Chapter 8 Whole Chapter	—
57	Apply the translation of foreign operations into the group's presentation currency.	3	C	—		—
58	Account for the consolidation of	3	C	—		—

Appendix A - Common verbs used by the Examiners

Verb	Description
Account (for) / Bring to account	Account requires you to show how to record an element in the financial statements appropriately. This might be by means of a journal entry, T-account, or an extract from the financial statements. Remember, a journal or a T-account is only complete if it shows the date of the entry, the correct accounts, the correct amounts, and has a description (narration) – easy marks are often thrown away through carelessness. Bring to account requires you to include all components, say itemise all revenue that should be recognised for income tax purposes.
Advise / Give advice	As a Professional Accountant, your work will invariably require you to form an opinion about the most appropriate course of action, or offer alternative courses of action depending upon the situation. This type of question requires you to give specific guidance to an individual or a group (e.g. a taxpayer, audit client, management, etc.), so your answer must provide specific information or make a recommendation tailored to the individual or group and justify you position.
Analyse	Identify the key components, look for similarities and differences, look for patterns or outliers, and weight up the issues. If there is numerical data, you might need to provide a range of answers depending on how you substitute the data into your model. Make sure you state any implications of your answer and any assumptions that you make.
Apply	This instruction requires you to relate your answer back to a specific document/s or set of facts. Alternatively, you may be required to use a specific formula, model, or process. For instance, “ Apply the relevant Singapore Financial Accounting Standard to ...”. Another example would be “ Apply the 3-year and 2-year concessional rules for determining tax residence”. Apply and With reference to are similar.
Appraise	Make a judgment about the value, quality, outcomes, results, or size. Often there will be a qualifier in the instruction, which will tell you exactly what to appraise . For instance, “ Appraise Company X’s <u>credit worthiness</u> ...”. Professional judgment and scepticism (a questioning mind) are called for when making an appraisal . Appraise and Assess are interchangeable.
Arrange	Put into the correct order or sequence. Sometimes arrange will require you to make a judgment about which items or factors should be given priority or the order of importance (Rank or Prioritise). For instance, when considering the severity and/or frequency of risks, it is possible to prioritise (or rank) the risks according to whether they have a low, medium, or high probability of occurring and appropriate resources can be deployed efficiently.
Assess	Make a judgment about the value, quality, outcomes, results, or size. Often there will be a qualifier in the instruction, which will tell you exactly what to assess . For instance, “ Assess the <u>adequacy</u> of the disclosures in the financial statements relating to ...”. Professional judgment and scepticism (a questioning mind) are called for when making an assessment . Appraise and Assess are interchangeable.

Verb	Description
Bullet points	Unless specifically asked for, <u>only</u> use bullet points in your answer as an <u>absolute last resort</u> if you are running out of time. A quarter of a mark is better than zero.
Calculate / Compute	Do the number crunching and derive the correct answer? Make sure that you write down your workings and crosscheck your numbers. Candidates often underperform because of careless mistakes.
Comment	Comment is similar to evaluate in that you are required to make a judgment or provide your opinion based on the facts at hand. Professional judgment and scepticism (a questioning mind) are called for when commenting .
Compare and Contrast	Compare requires you to show how things are similar and/or different while contrast requires you to show how things are different or opposite. Even if you are asked just to compare , you must indicate both the similarities and differences.
Conclude / Draw conclusions	Form a judgment, or determine the outcome, or resolve an issue, by using the facts presented. An example might be "Conclude whether to outsource the human resource function".
Critically (analyse / Evaluate)	Critically requires that your answer be more extensive than if you were asked to analyse or evaluate the data. Your answer must add a greater degree or level of accuracy, depth, knowledge, understanding, logic, questioning, reflection, and quality to your analysis or evaluation . Remember, critically requires you to consider both the positive and negative points and apply professional scepticism (a questioning mind) in conjunction with professional judgment. Often when an examiner asks you to critically evaluate or analyse something it is because there can be more than one right answer, so you have to convincingly defend your opinion as part of your answer.
Defend	Whenever you see the word defend you <u>must</u> provide reasons for your answer, in other words, provide support for your argument or conclusion. If you fail to justify your answer, you will lose valuable marks. For example, " Defend your advice ."
Define	Like list , you are unlikely to be asked just to define a term, particularly in a professional accounting-related examination unless it is a term that requires you to communicate your understanding rather than copying down someone else's definition or rote learning. For instance, " Define in your own words ...".
Demonstrate	Demonstrate requires you to prove or disprove something beyond any doubt, or show that it applies in the situation described by giving evidence (for instance, provide an example). The evidence can be from the facts given or from your general knowledge and experience. Demonstrate and illustrate are similar.

Verb	Description
Describe	Describe requires you to provide the characteristics and features of an item or situation. For instance, “ Describe the audit procedures to verify ...” requires you to state the specific audit procedure/s that you would use without going into step-by-step detail of how to perform that procedure.
Detail	Detail requires you to give very specific instructions or advice . For instance, “ Detail the audit procedures to verify ...” requires you to provide step-by-step instructions. Another example is “ Detail how the findings from the site visit will affect the planning of the statutory audit”. This instruction requires you to state the positive and negative consequences in relation to the site visit and the planning of the audit. Don’t forget to think about the future and the past, not just the present when stating the consequences.
Determine	Ascertain or conclude after analysis and evaluation the most appropriate course of action or most correct answer from a range of viable alternatives.
Discuss	<p>Discuss requires you to provide the 'for' and 'against' arguments, you cannot have a discussion without opposing views otherwise it would be just a conversation. If discuss is placed near the front of the instruction, then it requires you to provide an answer that is similar to explain, but addresses both the for and against arguments. For instance, “Discuss why numerical valuation is essential when buying or selling a small business”.</p> <p>However, if there is a statement and discuss is placed at the end, your answer <u>must be</u> in the form of <u>an essay</u> with the following elements:</p> <ul style="list-style-type: none"> • An introduction, which declared whether you agree, disagree, partly agree, or partly disagree with the statement; • The body of your answer, stating: i) Why is it possible to agree and ii) why is it possible to disagree with the statement. You should provide examples to support both points of view; and • A conclusion that proves your original position. <p>An example of a discuss question that requires an essay style answer would be “Numerical valuation is not essential when buying or selling a small business because the actual selling price is the outcome of negotiation. Discuss”.</p>
Distinguish	To note differences between. For instance, “ Describe what is meant by the term tax planning and distinguish it from tax evasion”. Apart from describing what tax planning involves (say 1-2 marks), you need to explain how the two terms are different and how they are similar. However, providing a list of differences and similarities is insufficient – complete sentences are essential to achieve full marks. In addition, it is important that you also mention any other relevant factors (e.g. the ethical and legal issues).

Verb	Description
Evaluate	Pass judgment on or provide your opinion based on the facts at hand. When making an evaluation , there are often predetermined criteria that you will use to base your opinion on. The key here is to give your opinion or make a judgment of the facts, but providing just a description of the facts is insufficient. Professional judgment and scepticism (a questioning mind) are called for when making an evaluation . Examine and Evaluate are interchangeable.
Examine	Pass judgment on or provide your opinion based on the facts at hand. When examining the facts given, there are often predetermined criteria that you will use to base your opinion on. The key here is to give your opinion or make a judgment of the facts, but providing just a description of the facts is insufficient. Professional judgment and scepticism (a questioning mind) are called for when making an evaluation . Examine and Evaluate are interchangeable.
Explain	As a Professional Accountant, you will be frequently called upon in your work to explain difficult concepts and technical issues to people who are not accounting trained. This is where your ability to share your knowledge using simple everyday terms will be most needed. Explain requires you to write at least several sentences conveying how you have analysed the information in a way that a layperson can easily understand the concept or grasp the technical issue at hand. For instance, “ Explain whether an ‘emphasis of matter’ paragraph or an ‘other matter’ paragraph would be most appropriate in this situation”, or “ Explain how a partnership is assessed for tax”. Evaluate and Examine are interchangeable.
Identify	Identify is similar to list , but requires you to also provide an explanation as to why the item/s that you have identified is/are relevant to the facts given in the question. Often identify will require you to select a specific issue or issues, but not all issues, so you need to look out for any qualifying words. For instance, “ Identify the <u>Board Matters</u> ...” is asking you to focus solely on issues that relate to Board Matters from the Singapore <i>Code of Corporate Governance</i> so if you digress and identify remuneration issues, you will not score well. Another example is “ Identify the companies that qualify as members of a group for the purposes of group tax relief”. In order to score well in this second example, you need to identify the companies and state why they are included in the group. You also need to state if a company is not included and why.
Illustrate / Give examples	Illustrate requires you to provide an example, either from the facts given, a real-life example, or a made-up example to illustrate the point you are trying to make. Illustrate and Demonstrate have similarities.
In accordance with	This instruction requires you to relate your answer back to a specific document. Failure to make specific mention of the document in your answer will result in a loss of marks.
Verb	Description

Interpret	Look at the whole as well as the individual parts and decide what the data (or diagram) is telling you. Remember, although interpret may involve some subjective assessment, some answers will be <u>more right</u> (or appropriate) than others.
Justify	Whenever you see the word justify you <u>must</u> provide reasons for your answer, in other words, provide support for your argument or conclusion. If you fail to justify your answer, you will lose valuable marks. Justify is similar to defend .
List	Prepare an itemised list . Although you are unlikely to be asked just for a list of items, it is important to remember that many of the common verbs used by examiners require you to begin with a mental list of issues to consider.
Outline	Outline requires you to provide a general overview of the situation and indicate the main features. Outline is used when the question is worth only a couple of marks, but a single sentence is usually never enough to achieve full marks.
Plan	Prepare a detailed proposal. For instance, in an assurance engagement, you may be asked to ' Plan a review of historical information'.
Predict	Suggest what may happen based on the available information. Remember, although predicting involves uncertainty, some answers will be <u>more right</u> (or appropriate) than others.
Prepare	Prepare requires you to produce your answer using a specific format. For instance, " Prepare the Statement of Cash Flows for ..." or " Prepare all the relevant journal entries for ...". Remember, a journal entry is only complete if it shows the date of the entry, the correct accounts, the correct amounts, and has a description (narration)—easy marks are often thrown away through carelessness. Record and Prepare have similarities.
Prioritise	Make a judgment about which items or factors should be given priority based on importance. For instance, when considering the severity and/or frequency of a risk, it is possible to categorise risks according to whether they have a low, medium, or high risk of occurring and appropriate resources can be deployed efficiently. Rank and Prioritise are interchangeable, and both terms have similarities with Arrange .
Produce	Produce requires you to present your answer in a specific format from scratch. For instance, you may be required to " Produce a Profit or Loss Statement".
Propose/ Provide	Put forward (for example, a point of view, idea, argument, alternatives, etc.) for consideration or action. For instance, "Based on the facts of the case, propose the most tax-effective entity type ...", or " Propose audit adjusting entries to correct ...".
Prove	Prove requires you to establish that something is true by citing evidence or giving clear logical reasons. When you reconcile the Bank Account in the General Ledger you are proving that the account balance is correct.

Verb	Description
Quantify	Provide a <u>numerical value</u> (an exact calculation) or a <u>range of values</u> (upper/lower limits, average, likely values, etc.). For instance, “ Quantify the misstatement in the ‘investment in subsidiary’ in the Statement of Financial Position” or “ Quantify the adverse direct materials variance cost”. As with calculate and compute , you should always show your workings and crosscheck your numbers.
Rank	Make a judgment about which items or factors should be given priority based on importance. For instance, when considering the severity and/or frequency of a risk, it is possible to categorise risks according to whether they have a low, medium, or high risk of occurring and appropriate resources can be deployed efficiently. Rank and Prioritise are interchangeable, and both terms have similarities with Arrange .
Record	Record is similar to prepare in that you may need to perform a calculation and show the specific components in an appropriate format. For instance, “ Record the closing entries to transfer profit (or loss) to retained earnings”. Record and Prepare have similarities.
Recognise	Recognise requires you to distinguish between various components and to be able to state how each component should be treated. For instance, “... and indicate if the gain/loss is recognised as profit or loss or other comprehensive income”. Identify and Recognise have similarities.
Recommend	Make a statement about the most appropriate course of action. If there is more than one possible course of action, state which action you would choose and why (justify your choice). Your professional judgment and your ability to interpret the wider situation are critical to scoring well in these types of questions. Don't forget to think about the future and the past, not just the present when making a recommendation .
Reconcile / Reconciliation	Prove that the balance of an account is correct. For instance, “ Using the data given, prepare a bank reconciliation ” requires you to prove that the bank balance in the General Ledger corresponds with the balance shown on the bank statement, listing down the timing differences (e.g. unpresented cheques) and errors (if any). Note here the term <u>Bank Reconciliation</u> , as this acts as a <u>qualifier</u> to indicate the format that you should use to present your answer.
Respond / Reply	This is your right of reply . When you are asked to respond , it is usually in reply to a comment made by someone else (although you can also be asked how you would respond in a particular situation). For instance, “ Respond to the Chairperson regarding her comment on impairment”. Whenever you are asked to respond , you must always justify your opinion or the actions you would take.
State	State is similar to list , but the items require your professional judgement. For instance, “ State any restrictions that apply”. One of the easiest ways to make sure that you state comprehensively is to think, “ list and justify ”. You will note that state appears in many of the verb descriptions given.
Summarise	Provide a concise description. Summarise is similar to describe , but in a condensed format.

Verb	Description
To what extend	This instruction requires you to advance arguments in favour of a position or point of view and respond to or take into consideration the opposing arguments or points of view. You must always justify your answer.
Translate	For the purposes of Singapore CA Qualification examinations, translate refers to the conversion of monetary values from one currency into another currency (although translate can refer to spoken and written language as well).
Use / Using	This instruction tells you the type of model that you must use when formulating your answer. For instance, " Using the <u>Discounted Cash Flow approach</u> , ..." tells you what valuation approach to use. Another common phrase is " Using the facts of the case, ...", which tells you that you must relate your answer to the specific facts given in the question scenario. Generic answers will not pass.
With reference to	This instruction requires you to relate your answer back to a specific document/s or set of facts. For instance, " With reference to relevant Singapore Financial Reporting Standards, explain the risk of material misstatements relating to ...". In this example, relevant <u>Singapore Financial Reporting Standards</u> acts as a qualifier (with reference to 'what'). Failure to make specific mention of the document/s or facts in your answer will result in a substantial loss of marks.

END OF STUDY GUIDE