

CAA GLOBAL

EXAMINERS' REPORT

October 2019

CAA Module 5 Models and Audit Trails

Introduction

The attached report has been written by the Principal Examiner with the aim of helping candidates, both those who are sitting the examination for the first time and using past papers as a revision aid and also those who have yet to pass the subject.

The specimen solutions are based on one possible approach to modelling the scenario set but the examiners gave credit for any alternative approach which they considered to be reasonable.

Clifford Friend
Chair of the Board of Examiners

October 2019

General comments on Module 5

Module 5 aims to ensure that successful candidates can model data and develop an audit trail to document the work done.

Part I of this examination tests the ability to produce a complete and accurate model using sound and simple techniques, and the ability to perform reasonableness checks and automated checks throughout. Candidates are therefore expected to have a working knowledge of spreadsheets.

Part II of this examination tests the ability to produce an audit trail that documents all the work done, including the methods, the parameters, the data used, the checks performed and the results of those checks. This can be done in a separate sheet within the spreadsheet model or in a separate Word document.

It should be noted that there will generally be more marks available for Part II than for Part I to reflect the importance of good communication and documentation when producing models. Candidates should bear this in mind when considering how much time to allocating to each of these elements of the assessment.

General comments on Examination October 2019

This examination involved constructing a spreadsheet model to analyse changes in test marks for a class of university students over a series of 12 tests. Candidates were provided with the age and gender of 100 students and their marks for the last 12 consecutive tests. Candidates were required to check (but not amend) this data before using it to analyse the breakdown of marks by gender and age band. Candidates were then asked to produce further calculations to determine the pass mark for each test, based on a prescribed formula, and determine the number of students whose improvement over the series of tests qualified them to receive a prize. Candidates were required to present their analysis on appropriate charts.

The most common reason for failure in this sitting (as in previous sittings) was an inadequate audit trail. When describing methodology, students should note that they need to state their methods and logic for every stage of the calculation clearly (in words rather than using formulae or Excel functions). The audit trail should enable a fellow analyst student to easily understand, review and check the model without reference to other documentation, such as the exam paper.

In order to demonstrate that the model is working as intended candidates are asked to document reasonableness checks which have been applied at each stage of the calculation. Marks are awarded for both recording and explaining these checks. The majority of candidates lost a number of marks by providing only limited evidence of these checks. Candidates are strongly encouraged to look at the sample solutions provided to better understand the level of detail they should be aiming to produce in their audit trails.

END OF EXAMINERS' REPORT