

## Q&As

### P9 Management Accounting Financial Strategy

#### Questions from tutors with the Examiners' answers

- Q** To what extent do students need to be aware of the details of the individual corporate governance reports?
- A** We would suggest to the extent covered in the Study System as a minimum. The better student would do some additional reading, but it is not expected that candidates know the detail of the contents of any of the relevant reports. What is more important is that they understand the aims and general content of the reports that are briefly discussed in the CIMA Study System and, in particular, the arguments for and against the need for more (or less) corporate governance. In terms of additional reading, we strongly recommend Pike and Neale 4<sup>th</sup> edition, plus wider reading of publications such as *The Financial Times*, *The Economist* and CIMA's own journal *Financial Management*.
- Q** Will the exam use international terminology such as preferred shares and loan stock, rather than preference shares or debentures as the CIMA Study System does?
- A** We intend to continue using the terms "preference shares" and "debentures" in Paper 9 in line with the new international standards (as at March 2004). We would refer you to IAS33 sections 12 to 18 for references to preference shares and IAS32 illustrative example 11 for use of the term "debenture". The term "bonds" will also continue to be used (see multiple references to bonds in IAS32).
- Q** What aspects of the work of the finance function/financial control department are examinable? This function has a separate learning outcome, but the CIMA Study System contains 4 lines on it.
- A** At Strategic level, the CIMA Study System is not expected to comprehensively cover all aspects of the syllabus. This topic is covered in more detail in Pike and Neale 4<sup>th</sup> edition – "Corporate Finance and Investment: Decisions and Strategies" published by FT Prentice Hall.
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