

# Insight into the New P2 Paper - Strategic Business Reporting (SBR)

By Mr. Shaffiat Hosein

## Strategic Business Reporting

### What is this paper?

This paper replaces the previous P2 paper (Corporate Reporting) and the examination will be held from September 2018.

### Why change?

Current reporting is not adequate for the user needs of today and the future. In addition, most reporting that accountants currently do is being done by AI, (artificial intelligence). To remain relevant, the accountant must be able to complement AI or be above AI. The new paper places emphasis on:

- Business acumen
- Scepticism
- Analysis
- Evaluation and
- Communication

The paper aims to allow students to get the skills needed to confidently speak the language of business and explain reports to a wide variety of users.

### What is the difference between this paper and the former P2 (Corporate Reporting)?

#### Intellectual Level

Most topics are examined at the highest cognitive level, Level 3 (Synthesis and Evaluation)

#### Examination requirements

For each subject area students are required to; Discuss and apply, Explain, Appraise, Evaluate, interpret, Analyse and so on with the aid of calculations for a variety of stakeholders.

This paper would not ask you to prepare and present financial statements, though you would need to know how to it if you are going to discuss, explain, appraise those financial statements.

#### The exam

Time 3 hrs 15 minutes

The paper will consist of two sections

All questions are compulsory

Section A 2 compulsory questions 50 Marks

Section B 2 compulsory questions of  
25 marks each 50 marks  
100 marks

**Section A**

This section will consist of two scenario based questions that will give a total of 50 marks. The first question will be based on the financial statement of group entities, or extracts thereof, and is also likely to require consideration of some financial reporting issues. Candidates should understand that in addition to the consideration of the numerical aspects of group accounting (max 25 marks) a discussion and explanation of these numbers will also be required

The second question in section A will require candidates to consider either (1) the reporting implications (syllabus area C and /or (2) the ethical implications ( syllabus area A) of specific transactions to a scenario.

**Section B**

Students will be required to answer a further two questions in section B, which may be a scenario or case-study or essay based and will contain both discursive and computational elements. Section B could deal with any aspect of the syllabus but will always include either a full question, or part of a question, that requires the appraisal of financial and or non-financial information from either the preparer's or other stakeholder's perspective.

**Current issues**

The current issues element of the paper (syllabus area F) may be examined in section A or B but will not be a full question; it is more likely to form part of another question

All in all this paper is examined at a higher intellectual level than the former p2. It requires students to change their learning methods from learning and regurgitating, to understanding and critically evaluating and discussing and communicating..