

MARKING OF THE APPLICATION AND PROFESSIONAL SKILLS PAPER

In order to secure a pass in this paper, candidates are required to demonstrate competence in each of three skills:

- Structure
- Identification and Application
- Relevant Advice and Substantiated Conclusions

Structure

Structure is assessed across the answer as a whole and a pass or fail grade will be awarded. As noted above, a fail in this skill (or in either of the other two skills) will result in an overall fail. In arriving at their grade for this skill, the following factors will be considered:

- Overall format
- Introduction and conclusion
- Clear layout with headings
- Flow of answer
- Appropriate Style
- Grammar & spellings

Further narrative on what is expected for each factor is set out in Appendix A.

Identification and Application

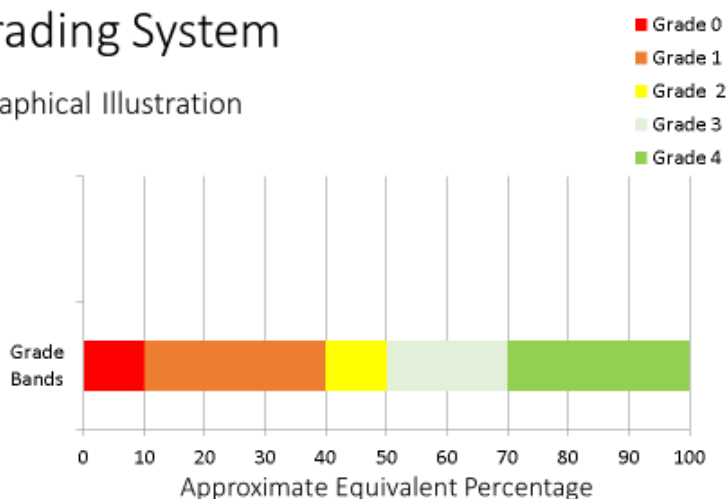
Identification and Application is assessed for competence across a number of broad topics within the answer. There will typically be three to seven topics and a grade will be awarded for performance in that topic of 0,1,2,3 or 4 as follows:

<i>Grade</i>	<i>Description</i>
0	Not attempted
1	Competence insufficiently demonstrated
2	Limited competence demonstrated
3	Competent
4	Highly competent

If a perfect answer represents 100%, the above grades may be considered as roughly equal to the following percentages of a perfect answer.

Grading System

Graphical Illustration



The grades awarded for each topic will be weighted and averaged to produce an weighted average grade for the skill across the whole answer. The weighting will reflect the importance and anticipated time required for each assessment area. The weighted average grade will be converted to a final grade of 0,1,2,3 or 4 as follows:

Weighted Average Grade	Final Grade
0.00 – 0.49	0
0.50 – 1.49	1
1.50 – 2.49	2
2.50 – 3.49	3
3.50 – 4.00	4

As noted above, a final grade of 3 is required to secure a pass, which means that candidates must achieve a weighted average grade of at least 2.5 across their answer.

For each topic the following factors will be considered:

- Identification of issues
- Reference to material in question
- Use of information
- Application of technical knowledge
- Appropriate calculations
- Lack of irrelevant material

Further narrative on what is expected for each factor is set out in Appendix A.

Relevant Advice and Substantiated Conclusions

The method of assessment of this skill is the same as for Identification and Application except that there will normally be fewer topics: typically between two and five topics.

For each topic the following factors will be considered:

- Commercial advice
- Ethical advice
- Technically correct advice
- Options weighed up
- Client advised what to do
- Recommendations and conclusions supported
- Questions posed by client answered
- Recommendations & conclusions weighted appropriately

Further narrative on what is expected for each factor is set out in Appendix A.

APPENDIX A

Narrative on assessment factors

Structure

Overall format	The answer is set out in the format demanded. Thus, if it is a letter, it will be properly set out as a letter with addresses, date, "Dear X" and conclude "Yours sincerely" etc. If it is a report, it will give some indication as to what it is about and who it is for.
Introduction and conclusion	The report or letter should contain an introduction setting out the terms of reference, information being relied on etc. It should also give a summary of the key findings and recommendations. NOTE - the actual content of the findings/recommendations are marked under Conclusions and Recommendations.
Clear layout with headings	The body of the letter or report should be laid out in a clear way with appropriate headings so that the reader can navigate around it easily and spot the key areas without reading the entire document to try to find a discussion of, for example, income tax on some employment related shares.
Flow of answer	The answer "flows" so that a logical chain of thought presented to the reader rather than a series of random comments (which may nevertheless be technically correct).
Appropriate Style	The style of writing should be appropriate to what is being produced. For example, a report to a client or lay person should not contain lots of legislative references. The letter/report should not be written in the form of notes
Grammar & spellings	The letter or report should be grammatically correct and free of spelling mistakes.

Identification and Application

Identification of issues	The issues which are specific to the client and the requirement of the question should be identified. This covers not only the requirements identified by the client but also issues which the candidate should identify from the information as important to the client.
Reference to material in question	Where appropriate, reference back to the material in the question should be made. Large quantities of material from the question should not be copied out in the answer.
Use of information	Information provided to the candidate in the question has been used appropriately.

Application of technical knowledge	Technical information provided is correct and has been applied correctly to the specific circumstances of the question
Appropriate calculations	Where calculations are prepared, they are appropriate to the issue in point and are applied to the issue in point through appropriate narrative.
Lack of irrelevant material	The answer should not include large amounts of irrelevant material

Relevant Advice and Substantiated Recommendations

Commercial advice	Advice provided should not simply provide an answer which produces the best tax outcome, but should also consider the wider commercial position to ensure that the advice is appropriate.
Ethical advice	Advice should be legal and ethically appropriate. Where there are doubts as to the legal effect of documents etc, these should be flagged to the client.
Technically correct advice	Advice provided to the client should be technically correct. Note, this is a grading of the advice provided rather than of the application of technical skills to discuss either something which is purely factual or as analysis before advice (which are covered in Identification and Application).
Options weighed up	The various options available to the client should be weighed up for the client so that the client is better able to make an informed decision.
Client advised what to do	A client comes to a Chartered Tax Adviser to be advised as to what to do. This means that he should not simply be presented with a series of factually correct observations and then left to interpret what he should do, but instead should receive considered and appropriate advice recommending what he should do.
Recommendations and conclusions supported	Recommendations and conclusions should be supported by the main body of the answer.
Questions posed by client answered	Any questions posed by the client must be answered and advice provided.
Recommendations & conclusions weighted appropriately	Recommendations and conclusions should be weighted appropriately for importance. Importance is likely to be financial, but it may be wider than this, for example risk.