



## **THE CHARTERED INSTITUTE OF BANKERS, GHANA**

### **FORMAT FOR EXAMINER'S REPORT**

1. Title of Paper and Name of the Diet: FINANCIAL AND QUANTITATIVE ANALYSIS FOR DECISION MAKING
2. Introduction: General Observations
2. Comments on Candidates' Performance

*The overall performance of candidates in PART A was moderate. All candidates who were present attempted the compulsory section, indicating a reasonable level of engagement and familiarity with the course content. However, only 53.7% of the candidates achieved a pass, showing that while participation was high, mastery of the subject matter was uneven. Performance was stronger on Question B1, which recorded the highest attempt rate and a marginally higher pass rate, suggesting that candidates were more comfortable with questions testing fundamental concepts. In contrast, Question B2 recorded a lower pass rate, indicating weaknesses in analytical and computational skills. The Section C questions (C1 and C2) attracted fewer attempts, possibly due to their higher level of difficulty or time constraints; nevertheless, candidates who attempted these questions generally performed creditably. Overall, the results suggest that although a fair proportion of candidates demonstrated adequate understanding, a significant number struggled, particularly with more demanding and applied questions.*

*Candidate performance in the quantitative component of the examination was generally below average. Out of the 32 candidates, 11 obtained scores of 20 marks or above, while the remaining 21 scored below 20 marks. In Section A, the highest score recorded was 9 out of 10. Sections B and C had highest scores of 17 and 14 respectively out of the possible 20. Overall, 6 candidates scored 25 marks or more (representing half or above of the total marks), whereas 26 candidates scored below 25 marks.*

*Out of the 60 registered candidates, 54 were assessed, representing a 90% attendance rate, which is satisfactory. The overall performance of the candidates was moderate. Only one candidate (1.9%) attained a Distinction, indicating that a very small proportion of the cohort demonstrated exceptional mastery of the subject. A total of 28 candidates (51.9%) obtained a Pass, showing that just over half of the candidates achieved the minimum required level of competence in Financial and Quantitative Analysis.*

*However, a substantial proportion of candidates (46.3%) fell within the failure categories. In particular, Fail B (24.1%) and Fail C (20.4%) together account for nearly half of the assessed candidates, suggesting widespread difficulties with core concepts, analytical reasoning, and quantitative problem-solving. The relatively small number of candidates in the Fail A category indicates that most failures were not marginal but reflected significant weaknesses.*

2. I. Summary Statistics of the Performance for PART A and PART B are below.

**PART A**

Total No. of Candidates	Question No.	No. of Candidates Attempted	% Attempted	No. Passed	No. Failed	% Passed	% Failed
54	<b>Section A (Overall)</b>	54	100.00%	29	25	53.70%	46.30%
54	<b>B1</b>	47	87.00%	24	23	51.10%	48.90%
54	<b>B2</b>	39	72.20%	19	20	48.70%	51.30%
54	<b>C1</b>	31	57.40%	17	14	54.80%	45.20%
54	<b>C2</b>	28	51.90%	15	13	53.60%	46.40%

**PART B**

Total No. of Candidates	Question No.	No of the Candidates Attempted each Question	% of candidates attempted each question	NO. Passed	NO. Failed	% Passed	% Failed
	Section A	32	100%	12	20	38%	62%
	B 1.	27	84%	12	15	44%	54%
	B 2.	3	9%	0	3	0%	100%
	C 1.	23	72%	6	17	26%	74%
	C 2.	3	9%	0	3	0%	100%

**OVERALL PERFORMANCE**

<b>Total registered candidates: 60</b>		
<b>Absentees: 6</b>		
<b>Candidates assessed: 54</b>		
<b>Remark Category</b>	<b>Number of Candidates</b>	<b>Percentage (%)</b>
Distinction (81% and above)	1	1.90%
Pass (50%–80%)	28	51.90%
Fail A (46%–49%)	1	1.90%
Fail B (36%–45%)	13	24.10%
Fail C (35% or less)	11	20.40%
<b>Total (Assessed)</b>	<b>54</b>	<b>100%</b>
Absent	6	—

**3. General Problems Identified**

*Although Section A (Objective Questions) was attempted by all candidates, two candidates did not attempt any questions in Section B, while six candidates did not attempt any questions in Section C. Consequently, these candidates were unable to meet the pass requirements and therefore failed the paper.*

*In addition, there was a general lack of understanding of the questions' demands, with many candidates providing responses that did not address what was being asked. This reflects inadequate comprehension of the concepts covered in the syllabus - procedures and their contextual applications.*

*Basic arithmetic errors were also prevalent—particularly in summation and substitution steps—leading to incorrect totals and consequently flawed final answers. Furthermore, partial or incomplete responses were common. Several candidates began questions but failed to complete them, thereby missing the opportunity to earn marks for all parts of the question.*

#### **4. Specific Comments on each question/specific problems identified**

##### **PART A**

##### **SECTION B:**

*Overall performance in Section B was mixed. Candidates generally showed reasonable familiarity with theoretical concepts, but performance weakened where application, interpretation, and quantitative analysis were required.*

##### **Question 1**

- *Part (a) was fairly well answered. Most candidates could outline basic steps in the budgeting process and identify factors for effective implementation. However, many responses were descriptive rather than precise, with some candidates listing general management ideas instead of bank-specific budgeting practices.*
- *Part (b) posed significant difficulty. While candidates understood that transactions affect two elements of the accounting equation, many struggled to translate equation changes into realistic banking transactions. Common weaknesses included vague descriptions and incorrect linkage between assets, liabilities, and equity.*
- *Part (c) was moderately well handled. Candidates generally identified qualitative characteristics correctly, especially understandability, timeliness, and reliability. Errors arose where candidates confused relevance with faithful representation or failed to match the characteristic precisely to the scenario.*

##### **Question 2**

- *Part (a) was adequately attempted, though several candidates gave a general description of budgetary control without tailoring it to banking operations.*
- *Part (b) was well answered by stronger candidates, who correctly computed expected NPVs. Weaker candidates struggled with probability weighting, particularly where negative NPVs were involved.*
- *Part (c) proved challenging for many candidates. While some correctly calculated ARR and Payback Period, others displayed weaknesses in:*
  - *Identifying relevant cash flows,*
  - *Treating savings from outsourced services correctly,*
  - *Applying average investment in ARR calculations.*

## **SECTION C**

*Performance in Section C was generally weaker compared to Section B, reflecting difficulties with extended analysis and report writing.*

### **Question 5**

- *Many candidates could compute basic ratios, such as Gross Profit Margin and Current Ratio.*
- *However, a significant number struggled with:*
  - *ROCE computation, particularly the definition of capital employed,*
  - *Receivables collection days, where formula application was often incorrect,*
  - *Interpretation and comparison of ratios between the two companies.*
- *Only a few candidates produced a coherent, well-structured report addressed to the Board, as required.*

### **Question 6**

- *Part (a) was poorly handled by weaker candidates, who tended to agree or disagree with statements without critical evaluation. Stronger candidates appropriately explained underlying concepts such as forecasting, control, and behavioural implications of budgeting.*
- *Part (b) was moderately answered. Candidates showed a fair understanding of how budgets aid liquidity, profitability, and cost control, but responses were often brief and generic, with limited linkage to the specific banking problems outlined.*
- *The behavioural issues in budgeting were the least well answered, with many candidates failing to provide both an issue and a corresponding managerial solution.*

## **PART B**

### **SECTION B**

#### **Question One (A)**

*A number of students used a class interval of 11 instead of the specified 10, which resulted in incorrect frequency calculations and, consequently, inaccurate frequency distributions, histograms, and mean values. It was also observed that some students misgrouped the data by using incorrect class boundaries or inconsistent class widths.*

*In addition, several students applied inappropriate scales when constructing histograms; some used uneven scales, while others interchanged the axes. A few candidates also failed to plot the frequencies accurately, leading to errors in representing certain class intervals. Furthermore, some histograms lacked properly labeled axes, had bars that were not proportional to the frequencies.*

#### **Question One (B)**

*There was a general lack of understanding of the question. Consequently, only three candidates attempted it, and their performance was below average, with scores of 9, 5, and 0 marks respectively.*

### **Question Two (A)**

*The major issue identified in this question was the incorrect formulation of the hypothesis, which led to the adoption of wrong procedures and consequently inaccurate conclusion. Additionally, some students demonstrated difficulty in calculating the test statistic and obtaining critical values from statistical tables.*

### **Question Two (B)**

*The major issue identified in this question was the incorrect computation of the total variable cost. Some candidates used the unit variable cost in their calculations instead of the total variable cost, which consequently affected the accuracy of both the cost and profit functions.*

## **SECTION C**

### **Question One**

*The major issue identified in this question was the candidates' inability to correctly identify and classify data types. Many candidates were unable to state the appropriate methods, although some were able to provide relevant examples. In several instances, candidates failed to draw valid conclusions based on their calculations.*

*Additionally, a number of candidates applied incorrect methods for computing standard deviation and variance. Some also substituted wrong numerical values, even when the correct formulas were stated, which ultimately led to inaccurate results*

### **Question Two**

Candidates generally demonstrated an inability to correctly interpret the results provided. In addition, many were unable to effectively analyse or discuss the key concepts being tested, particularly those relating to regression and moving averages.

## **5. Conclusion**

*Overall, candidates' performance on financial aspect was moderate. All candidates who were present attempted the compulsory components, indicating satisfactory engagement with the paper. However, the pass rate of just over half of the candidates shows that understanding of the subject matter was uneven. While a fair proportion of candidates demonstrated adequate competence, a significant number struggled, particularly with analytical and applied aspects. This suggests the need for improved preparation in quantitative skills, stronger conceptual understanding, and better examination technique in future sittings.*

*Overall, candidates' performance on the quantitative aspects of the examination was below expectation. The weaknesses identified across the various questions indicate insufficient understanding of fundamental quantitative concepts. Common challenges included incorrect application of formulas, poor data classification, misinterpretation of questions, and computational inaccuracies. Many candidates also demonstrated limited ability to analyse results, interpret findings, and apply appropriate methods in solving quantitative problems such as hypothesis testing, regression, and moving averages.*

*Overall, the results point to uneven performance across the cohort. While a reasonable number of candidates demonstrated adequate understanding, many struggled to apply concepts effectively, especially in more demanding questions. This highlights the need for improved instructional support, increased practice in quantitative analysis, and better examination preparedness in future examinations.*