THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN

Certificate in Accounting and Finance Stage Examination

Data, Systems and Risks

Examiners' Comments **Autumn 2026**

PASSING %

Question-wise							Overall
1	2	3	4	5	6	7	
88%	44%	20%	25%	64%	35%	10%	39%

GENERAL COMMENTS

The passing percentage for the current attempt slightly decreased compared with the previous attempt. Weak performance was observed in Q3 and Q7, indicating that candidates need to improve their coverage of the syllabus. It is advised that, instead of repeating the same points, candidates should provide distinct, relevant responses to each specific requirement of the question.

QUESTION-WISE COMMON MISTAKES OBSERVED

Question 1

Marks could not be awarded in instances where examinees selected multiple options instead of selecting one correct option for an MCQ.

Question 2(a)

- Examinees incorrectly concluded that logical integrity was compromised in all of the given issues, which was partially incorrect, as issues (iii) and (iv) compromised physical integrity and referential integrity, respectively.
- Examinees failed to recommend appropriate controls that should be implemented by SLL to maintain data integrity, even though this was a specific requirement of this part of the question.

Question 2(b)

Examinees did not classify the electronic purchase orders from distributors as semi-structured data. Consequently, they failed to explain that semi-structured data does not follow a rigid format and that it contains tags or markers that provide some degree of organization, making it easier to process than unstructured data.

Question 3(a)

- Examinees mentioned that logical data independence involves changing the conceptual schema by updating the external schema and modifying application programs that access the data, which was incorrect.

- Examinees correctly explained physical data independence; however, they did not mention the related benefits such as performance tuning, improved scalability, and cost efficiency.

Question 3(b)(i)

Examinees focused excessively on RPA's ability to automate repetitive and monotonous tasks. They repeatedly explained the same feature instead of identifying three distinct features, such as non-invasive technology, rule-based automation, and improved scalability and flexibility.

Question 3(b)(ii)

Examinees were not able to adequately explain how different types of intelligent agents operate. Some of the responses were incomplete, where examinees merely identified the types of agents, without explaining how each type operates.

Question 3(c)

Examinees did not discuss that PM should consider the long-term strategic value of the ERP system, such as enhanced customer engagement, improved market positioning, and the ability to innovate and support future digital transformation initiatives. These strategic benefits may not yield immediate financial returns but can create a sustainable competitive advantage over time.

Question 4(a)

Examinees were not able to identify the following risks:

- The installation of IoT devices using default factory settings makes them vulnerable to unauthorized access and cyberattacks through weak default credentials.

- Connecting IoT devices directly to the same network as the ERP system increases the number of potential entry points for attackers, making the network more difficult to secure.

Question 4(b)

Examinees were not able to identify the following AI-related risks:

- The system was developed using historical data; therefore, it may inherit biases present in that data, consequently generating unfair or inaccurate procurement recommendations, particularly if the historical data is not representative of current business conditions.

- Procurement managers approving the system-generated recommendations without any formal evaluation places excessive reliance on AI that may result in inappropriate purchasing decisions, especially where business judgment is required.

Question 4(c)

Examinees correctly identified the various risks associated with outsourcing IT functions to third-party service providers; however, they were not able to identify the following mitigation strategies:

- Ensure that cloud service providers adhere to secure cloud configuration standards, including restricting public access to storage resources and enabling logging and monitoring of cloud activities.

- Identify alternative service providers or maintain in-house contingency arrangements for critical outsourced services to minimize business disruption in the event of any service outage affecting a vendor.

Question 5(a)(i)

Examinees did not discuss that partial dependencies in Table 2 must be removed to achieve the Second Normal Form (2NF) and transitive dependencies in Table 3 should be eliminated to achieve the Third Normal Form (3NF).

Question 5(a)(ii)

Examinees did not highlight the importance of ETL in data integration, particularly its role in ensuring consistency by integrating heterogeneous data into a unified structure, improving accuracy through data cleansing to produce reliable insights, and enhancing efficiency by preparing data for faster querying and reporting.

Question 5(b)

Examinees did not discuss that FS can collect Big Data from log files generated by its servers, applications, and networks. Furthermore, FS can deploy a variety of IoT devices and sensors in various environments to continuously gather Big Data and transmit the real-time data to central systems for analysis.

Question 6(a)(i)

- Examinees failed to discuss the advantages of vertical scaling, particularly its simplicity, ease of implementation, and fewer dependencies that make the system easier to manage.

- Some examinees incorrectly identified horizontal scaling as the approach adopted by SM, demonstrating a lack of distinction between vertical and horizontal scaling approaches.

Question 6(a)(ii)

Examinees were not able to determine that horizontal scaling would be the most appropriate scaling approach for SM that would accommodate increasing customer traffic. Furthermore, they did not discuss its key advantages, particularly the ability to add additional servers to overcome the capacity limitations of a single server, and improved fault tolerance through workload transfer to other servers in the event of a failure.

Question 6(b)

Examinees failed to identify Platform as a Service (PaaS) and Software as a Service (SaaS) as the most appropriate cloud service models for JSL and ZC, respectively. However, the key features of PaaS and SaaS were correctly identified.

Question 7

Examinees did not provide distinct improvements linked to the issues identified in the scenario. They did not adequately discuss the need to automate repetitive data-entry tasks to reduce processing time and errors, standardize ICT procedures across branches to ensure consistent operational records, and conduct regular ICT audits and assessments to evaluate whether LMS continues to meet ULL's operational requirements.

(THE END)