

Think Ahead

**ACCA**

# **F5 - F9**

## **Session CBE**

# A series of webinars

1. Overview
2. Exam tips to maximize benefits
3. Effective use of functions
4. Study resources
5. Teaching approaches (for tutors)

Think Ahead

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## **Series 5 Teaching approaches**

# Teaching approaches

- Difference between teaching towards PBE and CBE
- CBE teaching resources
- How to facilitate question practice



Teach exactly the  
same technical  
content

The only  
difference is the  
way in which  
students have to  
answer  
questions

# CBE teaching resources

- One page summary
- F5-F9 Practice tests and Revision tests
- Education hub and Tutor excellence programme (TEP)






# One page summary

F5

## Performance Management

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What's the resource?	At what stage of the learning journey should you consider using it?	How might you want to use it?	Where can you find it?	What else do you need to know?
Specimen exam	Should be used in a number of ways during the learning phase, revision phase and final preparation phase.	In the learning phase, use this to show your students how the live exam will be structured and assessed, demonstrate its features and functionality. Encourage students to use it to become familiar with how the exams work. You can also use individual questions as examples during class.		Written by ACCA's examining team, this can be used in several ways: as a full exam, work through some questions, or explore the functionality. The OT and OT Case questions are auto-marked, while the constructed response questions have detailed solutions and marking guidance.
Guide to F5–F9 CBEs (PDF)	Start of the learning phase and/or start of the revision phase	Provide the link to students or distribute a hard copy.		This is a key reference resource describing what the CBEs are like, explaining the different question types and the exam functionality features. However, the best way for students to learn about the exams is to use the interactive resources, eg specimen exams.
Extra constructed response questions	Can be used as question practice on specific topics in the learning phase or in the revision and final preparation phases	Set them to give your students more practice in answering questions using the word processing and spreadsheet tools.		Additional constructed response question practice using the word processing and spreadsheet answer spaces.
Past exams in CBE format	Further question practice to use during the revision and final preparation stages	Set these to students in class as exam-style question practice and debrief onscreen to demonstrate good exam technique in the word processing and spreadsheet answer spaces.		The September and December 2016 exams were published in full in CBE format. ACCA continues to publish a full sample set of constructed response questions in CBE format twice a year.
Constructed response workspace	This has multiple uses during all phases of your teaching.	The constructed response workspace allows students to practice answering questions from Approved Content question banks or other study materials in answer spaces that replicate those used		The constructed response workspace contains a set of blank word processing and spreadsheet tools.

## F5 – F9 practice tests (练习测试) and revision tests (复习测试)

[http://cn.accaglobal.com/news/announcement/F5\\_F9\\_Offline\\_Quiz-634.html](http://cn.accaglobal.com/news/announcement/F5_F9_Offline_Quiz-634.html)

### Practice tests for F5-F9

- Banks of questions by broad topic areas for practising
- OT questions and/or OT case questions (i.e. Part A & B) in the format of interactive PDF
- Constructed Response questions (i.e Part C) in the format of EXCEL
- Suggested answers

### Revision tests for F5, F8 and F9 (F6 (UK) and F7 coming soon)

- A complete exam which can be used as a mock
- OT questions and/or OT case questions in the format of interactive PDF (F8 has only have OT case questions)
- Constructed Response questions in the format of EXCEL
- Suggested answers



# F5 – F9 practice tests and revision tests

## How to use these resources

1. Download the interactive PDF and EXCEL files from ACCA China website and send them to your students
2. Ask students to complete selected questions of practice tests and send back the answers
- 3.a. Mark students' answers and give feedback
- 3.b. Ask students to mark each other (by making reference to the suggested answer) and discuss the feedback
4. Set the revision test as a mock during revision phase
5. Same as step 3, mark students' answers or ask them to mark each other and provide feedback to consolidate the learning

# F5 – F9 practice tests (by topic area)

## Contents

TOPICS		OT/OT CASE QUESTIONS	CONSTRUCTED RESPONSE QUESTIONS*	PAGE
1	Specialist costing techniques 1	1-5		3-4
2	Specialist costing techniques 2	6-10		5-6
3	Decision making using contribution	11-15		7-8
4	Short-term decision making	16-20		9-10
5	Risk & uncertainty	21-25		11-12
6	Budgeting and standard costing		26	13
7	Variance analysis		27	14
8	Management information		28	15
9	Performance management		29	16
10	Divisional performance management		30	17

\*See related spreadsheet file for constructed response questions

# F5 – F9 practice tests (by topic area) – OT questions

## Topic 1 – Specialist costing techniques 1

THE FOLLOWING SCENARIO RELATES TO QUESTIONS 1 – 5.

### Jola Publishing Co

18 mins

Jola Publishing Co publishes two forms of book.

The company publishes a children's book (CB), which is sold in large quantities to government controlled schools. The book is produced in four large production runs. The second book is a comprehensive technical journal (TJ). It is produced in monthly production runs, 12 times a year.

The directors are concerned about the performance of the two books and are wondering what the impact would be of a switch to an activity based costing (ABC) approach to accounting for overheads. They currently use absorption costing, based on number of books produced for all overhead calculations. Overheads amount to \$2,880,000.

The CB will be inspected on 180 occasions next year, whereas the TJ will be inspected just 20 times.

Machine time per unit is 6 minutes for the CB and 10 minutes for the TJ.

Jola Publishing will produce its annual output of 1,000,000 CBs in four production runs and approximately 10,000 TJs per month in each of 12 production runs.

### REQUIREMENTS

#### QUESTION 1

Calculate the overhead cost per unit of the CB using the current system of absorption costing.

\$  per unit

(2 marks)

# F5 – F9 practice tests (by topic area) – OT case questions

## Topic 5 – Risk & uncertainty

THE FOLLOWING SCENARIO RELATES TO QUESTIONS 21 – 25.

### BDU Co

18 mins

BDU Co is a manufacturer of baby equipment and is planning to launch a revolutionary new style of sporty pushchair. The company has commissioned market research to establish possible demand for the pushchair and the following information has been obtained.

If the price is set at \$425, demand is expected to be 1,000 pushchairs, at \$500 it will be 730 pushchairs and at \$600 it will be 420 pushchairs. Variable costs are estimated at either \$170, \$210 or \$260.

A decision needs to be made on what price to charge.

The following contribution table has been produced showing the possible outcomes.

Price		\$425	\$500	\$600
Variable cost	\$170	255,000	240,900	180,600
	\$210	215,000	211,700	163,800
	\$260	165,000	175,200	142,800

### QUESTION 21

What price would be set if BDU were to use a maximax decision criterion?

- ☐ \$425
- ☐ \$500
- ☐ \$600
- ☐ Not possible to determine from the available information

(2 marks)

## F5 – F9 practice tests (by topic area) – CR questions

Topic 6 Budgeting and Standard Costing, Q.26

a) Prepare a flexed budget for the month of May, assuming customers remains the same as budgeted.

The following scenario relates to 1 requirement:

Noble is a restaurant that is only open in the evenings, on six days of the week. It has eight restaurant and kitchen staff, each paid a wage of \$8 per hour on the basis of hours actually worked. It also has a restaurant manager and a head chef, each of whom is paid a monthly salary of \$4,300. Noble's budget and actual figures for the month of May was as follows:

	Budget		Actual	
Number of meals	1,200		1,560	
	\$	\$	\$	\$
Revenue: Food	48,000		60,840	
Drinks	<u>12,000</u>		<u>11,700</u>	
		60,000		72,540
Variable costs:				
Staff wages	(9,216)		(13,248)	
Food costs	(6,000)		(7,180)	
Drink costs	(2,400)		(5,280)	
Energy costs	(3,387)		(3,500)	

[illegible]

# F5 – F9 revision tests (mock)

## QUESTION 1

Identify, by clicking on the relevant box in the table below, whether each of the following statements about costing methods is true or false.

Activity-based costing (ABC) has evolved as a response to the increase in support activities in modern organisations	TRUE <input type="checkbox"/>	FALSE <input type="checkbox"/>
Absorption costing uses volume as a basis for cost allocation, and so tends to allocate too great a proportion of overheads to low volume products	TRUE <input type="checkbox"/>	FALSE <input type="checkbox"/>

## QUESTION 2

Highfly Co manufactures two products, X and Y, and any quantities produced can be sold for \$60 per unit and \$25 per unit respectively.

Variable costs per unit of the two products are as follows:

	Product X	Product Y
	\$	\$
Materials (at \$5 per kg)	15	5
Labour (at \$6 per hour)	24	3
Other variable costs	6	5
<b>Total</b>	<b><u>45</u></b>	<b><u>13</u></b>

Next month, only 4,200 kg of material and 3,000 labour hours will be available. The company aims to maximise its profits each month.

The company wants to use the linear programming model to establish an optimum production plan. The model considers 'x' to be the number of units of product X and 'y' to be the number of units of product Y.

# F5 – F9 revision tests (mock)

THE FOLLOWING SCENARIO RELATES TO QUESTIONS 16-20.

## Yam Co

Yam Co is involved in the processing of sheet metal into products A, B and C using three processes, pressing, stretching and rolling. The factory has many production lines each of which contain the three processes: Raw material for the sheet metal is first pressed then stretched and finally rolled. The processing capacity varies for each process and the factory manager has provided the following data:

	Processing time per metre in hours		
	Product A	Product B	Product C
Pressing	0.50	0.50	0.40

The total annual processing hours for the factory is 225,000. On average one hour of labour is needed for each of the 225,000 hours of factory time. Labour is paid \$10 per hour.

The raw materials cost per metre is \$2.50 for product B. Other factory costs (excluding labour and raw materials) are \$18,000,000 per year. Selling prices per metre are \$60 for product B. The return per factory hour of product A is \$134.

Yam carries very little inventory. Pressing has been identified as the bottleneck.

Required

## QUESTION 16

Match each product to its maximum output capacity per year on the bottleneck.

PRODUCT	MAXIMUM OUTPUT CAPACITY PER YEAR	
Product A	Product A	450,000 metres
Product B	Product A	562,500 metres
Product C	Product A	450,000 metres

# F5 – F9 revision tests (mock)

## Question No.31

The following scenario relates to 3 requirements:

Sauce Co manufactures and sells cartons of cooking sauces, which deteriorate over time and must be used within three months. Over the last two years, Sauce Co has experienced all kinds of problems. The financial and sales directors believe these to be a result of persistently unrealistic sales targets imposed by the managing director, who makes forecasts based on his own subjective and overly optimistic views about future sales. Production volumes are currently based on anticipated sales rather than actual orders.

Whilst an incentive scheme is in place for employees, the company has not hit its targets for the last three years, so no bonuses have been paid out.

**a) Discuss the likely impact that the budgeting style and inaccurate sales forecasts have had on the staff and business of Sauce Co.**

10 marks

Double-click in the box to start typing answer and click 'OK' if a message window appears.



## F5 – F9 revision tests (mock)

### Question No.32

The following scenario relates to 2 requirements:

Brace Co is an electronics company specialising in the manufacture of home audio equipment. Historically, the company has used solely financial performance measures to assess the performance of the company as a whole. The company's Managing Director has recently heard of the 'balanced scorecard approach' and is keen to learn more.

Brace Co is split into two divisions, A and B, each with their own cost and revenue streams. Each of the divisions is managed by a divisional manager who has the power to make all investment decisions within the division. The cost of capital for both divisions is 12%. Historically, investment decisions have been made by calculating the return on investment (ROI) of any opportunities and at present, the return on investment of each division is 16%.

A new manager who has recently been appointed in division A has argued that using residual income (RI) to make investment decisions would result in 'better goal congruence' throughout the company.

Each division is currently considering the following separate investments:

Project for Division A	Project for Division B
\$82.8 million	\$40.6 million

**b) Calculate both the return on investment and residual income of the new investment for each of the two divisions. Comment on these results, taking into consideration the manager's views about residual income.**

10 marks

[illegible]

Use it in conjunction with question bank/revision kit of the Approved Content Providers

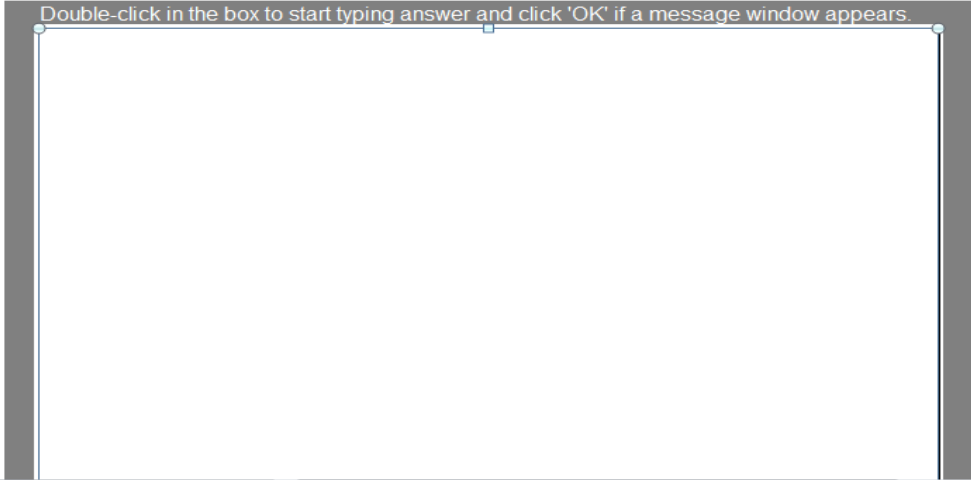
[illegible]

# F5 – F9 Practice tests (by topic area) – blank CBE-style question practice area

Use it in conjunction with question bank/revision kit of the Approved Content Providers

Word processing answer space 1

Double-click in the box to start typing answer and click 'OK' if a message window appears.



► ◀ Spreadsheet 5 Spreadsheet 6 Word Processing 1 Word Processing 2 Word Processing 3 Word Processing 4 ◀

# Education Hub and Tutor excellence programme


<http://cn.accaglobal.com/news/announcement/gonggao-555.html>

## 第一部分：教育枢纽 (Part 1 – Education Hub)

该部分将会向教师介绍Education Hub的用途和特征，细述申请的流程。

Education Hub是ACCA专门为教育机构及教师度身定制的在线信息平台，其中涵盖的六大板块，分别为支持ACCA业务开展（Developing Your Business），支持您的学员（Supporting Your Students），高等教育机构专栏（Higher Education Institutions），ACCA新闻和更新（News and Update），讨论板块（Discussion Forum）。并对ACCA讲师优才课程（ACCA Tutor Excellence Programme）进行概述性说明，为ACCA教师学习资源的第二个部分做铺垫性介绍。 [Slide](#) [Video](#)

 Learning Support - Education provider - Part 2 Tutor excellence programme.pptx

 Learning Support - Education provider - Part 1 Education Hub.pptx

## 第二部分：ACCA讲师优才课程 (Part 2 – ACCA Tutor Excellence Programme)

该部分将会详细介绍ACCA讲师优才课程（ACCA Tutor Excellence Programme），旨在向广大ACCA教师或立志成为ACCA教师的人传授授课之道，提升授课质量。总共包含的9个模块，将对下设的20个学习单元以及3套在线测试进行详细的说明，帮助教师们区别教授ACCA资格和学术授课之间的差异，关注教师针对学习，复习和最后冲刺三个不同阶段所应该具备的各种授课和考试技巧。 [Slide](#) [Video](#)



## How to facilitate question practice



Approaches will  
depend on  
whether there is  
technology  
available in the  
classroom, in a  
lab or in  
students' homes



# Using ACCA CBE questions – to provide the true CBE environment experience

Approach **1**

## Practice resources

<http://cn.accaglobal.com/info/trainee/lsfsc-63-480.html>

### Online resources

- One full specimen exam
- Past exam paper
- One extra set of CR questions per exam
- Constructed response workspace
- ✓ Access the word processing exercise
- ✓ Access the spreadsheet exercise
- BPP/KAPLAN CBE mocks

### Offline resources

- F5-F9 practice tests and revision tests



Using approved  
content provider  
Question and  
Answer Banks-  
when you want  
to set lots of  
questions

Approach **2**

# Practice resources

<http://cn.accaglobal.com/info/trainee/lsfsc-63-480.html>

## Online resources

- One full specimen exam
- Past exam paper
- One extra set of CR questions per exam
- Constructed response workspace
- ✓ Access the word processing exercise
- ✓ Access the spreadsheet exercise
- BPP/KAPLAN CBE mocks

## Offline resources

- F5-F9 practice tests and revision tests

# BPP practice tests, and BPP and Kaplan CBE mocks – when you want to assess your students

Approach **3**

## Practice resources

<http://cn.accaglobal.com/info/trainee/lsfsc-63-480.html>

### Online resources

- One full specimen exam
- Past exam paper
- One extra set of CR questions per exam
- Constructed response workspace
- ✓ Access the word processing exercise
- ✓ Access the spreadsheet exercise
- BPP/KAPLAN CBE mocks

### Offline resources

- F5-F9 practice tests and revision tests

# ACCA interactive mocks – when offline resources are needed

Approach **4**



# Practice resources

<http://cn.accaglobal.com/info/trainee/lfsfc-63-480.html>

## Online resources

- One full specimen exam
- Past exam paper
- One extra set of CR questions per exam
- Constructed response workspace
- ✓ Access the word processing exercise
- ✓ Access the spreadsheet exercise
- BPP/KAPLAN CBE mocks

## Offline resources

- F5-F9 practice tests and revision tests

Word and Excel  
– when access to  
ACCA resources  
is problematic

Approach **5**

# Additional resources – Microsoft office specialist packages





# Think Ahead

