



Agenda

- Format of the paper
- Performance in MCQs in D14
- Performance in longer questions in D14

This presentation will focus on the format of the paper as applied for the first time in December 2014.

The key change was the introduction of multiple choice questions (MCQs) and the changes to the length of the long questions. It is important to look at how candidates performed with the new format

Format of the paper

Section A: 20 MCQs worth 2 marks each

Section B: 3 questions worth 10 marks each and 2 questions worth 15 marks each

This is the detailed format that was introduced in December 2014 for the first time.

Overall, the pass rate was slightly higher than usual.

Section A

- Both narrative and calculative questions
- Mixed application and knowledge
- Mixed difficulty
- Each area of the syllabus covered

The balance of narrative and calculation questions will change each sitting. Section A questions will be a mix of easy, medium and hard and some will be knowledge based and other application. Some questions will take longer than others but all the marks are the same – 2 per question. The idea is that if one question takes 30 seconds, for example, another one taking 5 minutes will balance it out. The aim is to cover each of the main syllabus areas.

Section B

- 3 questions worth 10 marks each
- 2 questions worth 15 marks each
- A question could be purely narrative
- Each key area of the syllabus covered

A 15 mark question could be purely narrative but will never be purely calculative.

A 10 mark question could be either purely narrative or purely calculative. Given that there are 5 questions, one area of the syllabus will be covered twice.

Candidates now, more than ever, need to cover all syllabus areas in their revision.

Performance in MCQs in D14

- Very good
- Pass rate strong
- Some students failing to use correct answer sheet
- No evidence of confusion over any of the questions

Candidates performed well in the MCQ section.

A number of candidates did not use the correct answer sheet for the MCQs.

Candidates can find a FAQs article on MCQs on ACCA's website which shows them how the answers are filled in for Section A of the paper and gives them advice on how to tackle these questions.

Performance in 10 mark questions

- Q1: Learning curves well-answered.
- Q2: Lack of understanding of term 'bottleneck resource.'
- Q3: Candidates able to tackle relevant costing numbers but not explain the reasons.

Q1: This was the first time that we had examined calculation of the learning rate and most candidates were able to do it. However, candidates need to remember that a lower percentage for a learning rate means it is quicker.

Q2: Candidates think that a bottleneck resource is one of which there is less available. They do not realise that you also have to consider how much of that resource the products or services use.

As usual, candidates performed well on the calculations but poorly on the written part of the question.

It was clear that most of them had not read either of the two articles available on throughput accounting.

Q3: Candidates must remember that it is not enough simply to be able to do the numbers. Most of them were confused about 'sunk costs' and seemed to think that general overhead costs are sunk costs. This is not the case.

Performance in 15 mark questions

- Q4: Good knowledge of the 4 perspectives of balanced scorecard.

Inability to write goals and measures

- Q5: Variance calculations very good but there was a lack of understanding of what an adverse material mix variance actually shows.

Q4: Part (a) was pure knowledge. Candidates were only asked to talk about the 4 perspectives. They should not have wasted time talking about the balanced scorecard in general. It is important that they read the requirement carefully to see what is actually being asked. Some of them spent too long talking about the scorecard in general.

(b) Candidates need to learn how to differentiate between what is a goal and what is a performance measure. They were not heavily penalised for failing to do this but it is important, going forward, that they understand that these two things are different. Also, some of them did not read the requirement and just gave general goals/measures. They must be specific to the business in question, the requirement was very clear on this.

Q5: Many candidates did not know that an adverse materials mix variance indicates that a more expensive mix of materials was used. Again, they did really well on the numbers, with some of them scoring 8 out of 8 for part (a). However, the written parts of the question were answered badly. Candidates must become accustomed to being able to explain their calculations and the implications of those to the company in the question.



Thank you
Questions?