

Think Ahead

ACCA

Prepare to pass

A guide to help
you if you are
studying

Management
Accounting

F2

Prepare to pass

Welcome to your guide helping you to study for your F2 exam

Why use this guide?

- ✓ Structured approach to show you how to succeed
- ✓ Signposted resources and how to use them
- ✓ Tips for success to help you through your studies
- ✓ Interactive clickable checklists to keep you on track

This guide is applicable for exams from September 2016 to August 2017.

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Getting started

Your checklist

- ☐ Enter for your exam
- ☐ Buy an Approved Content Provider study text and question & answer bank
- ☐ Draw up your study plan
- ☐ Get to know your exam

Getting started - Tips for success



Tips for success

We strongly recommend that you buy an [F2 Approved Content Provider Study Text and Question and Answer Bank](#) to ensure exam success. These provide:

- the most up to date content and syllabus coverage
- tests, quizzes and other support designed to help you prepare for your exam
- past exam questions updated for changes to the syllabus, question style and exam format as well as practice questions and answers and full mock exams to ensure you are fully prepared for your exam

You may want to consider attending a face to face or online tuition course with one of ACCA's [Approved Learning Providers](#) for all or part of your studies or signing up for [ACCA-X](#) for all or part of your learning.

- ✓ The earlier you [enter for your exam](#) the less it costs! Use our [exam planner tool](#) to plan which exam(s) you want to sit and when.

- ✓ Use the [ACCA Learning Community](#) to link up with fellow students around the world studying the same exam as you – get tips, join discussions and share ideas and advice. You can also access live Q&A sessions and presentations.

- ✓ Spend some time familiarising yourself with the free resources available via the [exam resource finder](#) on the [student section](#) of the ACCA website –

we will provide you with specific guidance on when and how to use these resources during the relevant stages of study.

- ✓ Remember to personalise your edition of Student Accountant so you receive F2 specific information as you need it.

When drawing up your study plan (see page 5)

- ✓ Be realistic and consider when you are best able to study – maybe early mornings work better for you or perhaps shorter study periods more often.

- ✓ Once you have prepared your plan stick to it!

- ✓ Consider building in an extra study period after every few chapters to review and consolidate your learning.

- ✓ Take a 5 – 10 minute break every hour to help maintain your motivation and concentration.

- ✓ Use this plan whether you intend to self-study through all the phases or mix with some tuition from an [Approved Learning Provider](#).

Getting started - Draw up your study plan

Study plan checklist

- Calculate the number of weeks from now until your exam date and draw up a plan – see the example to the left and a possible proforma for you to use on the next page
- You may need to add or take away weeks depending on your own circumstances
- Block out days/half days/evenings already committed to family/social events
- Plan study periods – evenings/half days/full days, aiming for roughly one evening/half day per chapter of your study text
- If possible leave a four week period for the revision and final preparation phases

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 1	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 2	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 3	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 4	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 5	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 6	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 7	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 8	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 9	REVISION						
Week 10	REVISION						
Week 11	REVISION						
Week 12	REVISION AND FINAL PREPARATION						

Evening study period
 Daytime study period
 Other commitments

Getting started - Your study plan

Print out and write down when you will study, relax and revise!

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Week 1							
Week 2							
Week 3							
Week 4							
Week 5							
Week 6							
Week 7							
Week 8							
Week 9	REVISION						
Week 10	REVISION						
Week 11	REVISION						
Week 12	REVISION AND FINAL PREPARATION						

☐ Evening study period
 ☐ Daytime study period
 ☐ Other commitments

Colour boxes in your preferred highlighter colours.

Getting started - Get to know your exam

- | | |
|---|--|
| □ Review the syllabus and study guide | ➤ This gives you an understanding of the aims and objectives of the exam, learning outcomes and exam structure |
| □ Scan the F2 specimen exam | ➤ The specimen exam provides you with a clear picture of how F2 will be assessed and how the exam is structured as well as the likely style and range of questions that you could see in the real exam |
| □ Review the examining team's guidance | ➤ Using these resources at the start of your studies will help you understand the focus of the exam by concentrating on the exam structure, question style, exam technique and tips as well as pitfalls to avoid |
| □ Review the examiner's reports from the last four sittings | ➤ These provide feedback on students' performance after each exam session, highlight problem areas that students need to improve on and tell you what the examining teams are looking for; these are critical to your success in passing F2 – see some of the most recent comments from your examiner over the page |
| □ View the study support video Paper F2/FMA MTQ advice | ➤ View this video for pointers to some of the key skills you will need to pass F2 as well as more information about the exam structure and exam technique |
| □ Scan the exam technique and syllabus updates articles | ➤ The articles here cover answering multiple-choice questions, computer-based exam technique and how to prepare for knowledge modules exams – you will need to come back to these during the revision phase but they will provide you with guidance that will be helpful in attempting questions throughout the learning phase |
| □ Familiarise yourself with the formulae sheet | ➤ You will be provided with this document in the exam and so you will not need to learn these formulae |

Getting started - What the examiner has said about F2 (extracts from the examiner's approach article)

“ Comments on CBE and paper based exams:

In section A the worst answered questions were calculation based. Calculation questions accounted for approximately 46% of section A questions, and as usual were answered worse than the narrative based questions. Seven out of the 10 worst answered section A questions were calculation based in the January to June 2015 diet. There was little difference in performance between section B calculation and narrative questions.

”

“ Future candidates are advised to:

- ✓ Study the whole syllabus, because the exam will cover the full syllabus.
- ✓ **Practise as many multiple choice questions as possible.**
- ✓ Study the whole syllabus, because the exam will cover the full syllabus.
- ✓ Practise as many questions as possible.
- ✓ Read questions very carefully in the examination.
- ✓ Try to attempt the 'easy' examination questions first.
- ✓ Not to spend too much time on apparently 'difficult' questions.
- ✓ **Attempt all questions in the examination (there are no negative marks for incorrect answers).**
- ✓ Read previous Examiner's Reports.
- ✓ For paper exam, present section B answers as tidily as possible.

”

“ Common problems with section B questions included the following:

- ✗ A poor understanding of purchases budgets, particularly the effect of production levels on purchases.
- ✗ An inability to calculate and explain fixed production overhead expenditure, volume, capacity and efficiency variances.
- ✗ An imprecise knowledge of value for money concepts, particularly economy and efficiency.

”



Learning phase

Your checklist

- Work through the control sheet which has been designed to give you a structured approach to your learning phase to ensure you:
 - gain the knowledge you need; and
 - learn how to apply that knowledge to pass the exam

Learning phase - Get the most out of your control sheet

Use the control sheet relevant to the Approved Content Provider's materials you have purchased:

- ✓ Becker Professional Education - page 12
- ✓ BPP Learning Media - page 13
- ✓ Kaplan Publishing - page 14

Tick the box **Content** in the control sheet once you have:

- ✓ Read through the introduction to the chapter
- ✓ Actively read and understood each chapter's content
- ✓ Noted any additional commentary and exam focus tips provided
- ✓ Worked through and understood examples and illustrations of concepts given

Tick the box **Quiz/Test** in the control sheet once you have:

- ✓ Attempted the quiz at the end of the chapter (if you are using Becker or BPP material) or the test your understanding questions throughout the chapter (if you are using Kaplan material)

Tick the box **Questions** in the control sheet once you have:

- ✓ Attempted the questions referred to in the Question Bank (if you are using Becker or BPP materials) or the practice questions at the end of the text (if you are using Kaplan materials)

Tick the box **ACCA related resources** in the control sheet once you have:

- ✓ Read / viewed the related ACCA article(s) / video(s) signposted
- ✓ Note that ACCA produces new articles and videos throughout the year and so you should always check the [technical articles](#) page on the website to ensure you have seen all of the related resources

Learning phase - Tips for success



Tips for success

- ✓ Actively read the material – ask yourself ‘do I understand this?’ If not re-read and re-work examples – if you still struggle, make a note and come back to it.
- ✓ Scan headings before going into the detail to give you an idea of the content first and consider highlighting, underlining, making notes, drawing pictures or mind maps – whatever helps you to remember.
- ✓ Consider using the additional resources provided by the [Approved Content Providers](#) including for example passcards or pocket notes to help you remember the key knowledge areas.
- ✓ Always work through the questions signposted – it is vital that you practise questions throughout the learning phase as this will ensure that you are applying the knowledge you learn as you progress.
- ✓ Make sure you use the ACCA resources to help your understanding – these give you real insight to help you in your exam.
- ✓ If you find you are not covering all of the material in each study period, build some extra time into your study plan – everyone works at a different pace.
- ✓ Keep an eye on Student Accountant for any relevant articles.
- ✓ Visit the ACCA Learning Community regularly to view new video content and to join online study events.
- ✓ There are [PER \(Practical Experience Requirement\) objectives](#) associated with specific syllabus areas and, if possible, you should try to gain experience in these alongside your studying as this will help you to put your studies into a workplace context and reinforce what you have learned.
- ✓ Try to read a good quality business journal or newspaper regularly and use this to help bring your studies to life by linking your learning into what you are reading.

Learning phase - Control sheet for Becker Professional Education

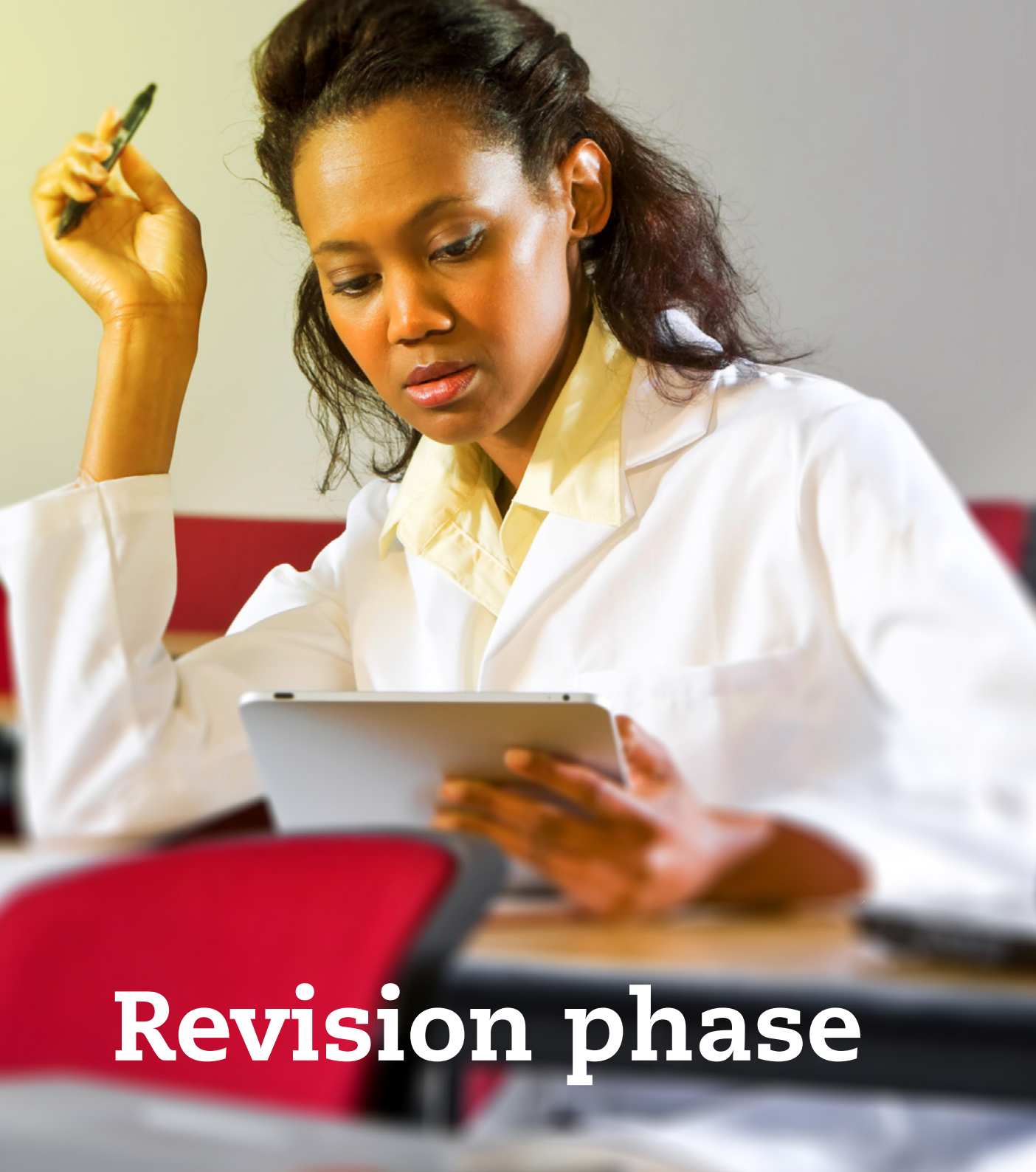
Chapter	Content	Quiz/Test	Questions	ACCA related resources	
✓ tick the boxes below when complete					
Introduction					
1 Accounting for management					
2 Sources of data					
3 Cost classification					
4 Presenting information				• Effective presentation and communication of information using charts	
5 Accounting for materials				• Stock control	
6 Accounting for labour				• Study support video: Accounting for labour	
7 Accounting for overheads				• Fixed overhead absorption • Re-apportionment of service cost centre costs	
8 Absorption and marginal costing					
9 Job, batch and service costing					
10 Process costing				• Process costing	
11 Alternative costing principles					
12 Budgeting – nature, purpose and behavioural aspects					
13 Statistical techniques					
14 Budget preparation				• Cash budgets	
15 Flexible budgets, budgetary control and reporting					
16 Standard costing and variance analysis					
17 Capital budgeting and discounted cash flows					
18 Performance measurement					
19 Further aspects of performance management				• Ratio analysis	

Learning phase - Control sheet for BPP Learning Media

Chapter	Content	Quiz/Test	Questions	ACCA related resources	
✓ tick the boxes below when complete					
Introduction					
1 Accounting for management					
2 Sources of data					
3 Cost classification					
4 Cost behaviour					
5 Presenting information				• Effective presentation and communication of information using charts	
6 Accounting for materials				• Stock control	
7 Accounting for labour				• Study support video: Accounting for labour	
8 Accounting for overheads				• Fixed overhead absorption	
9 Absorption and marginal costing					
10 Job, batch and service costing				• Re-apportionment of service cost centre costs	
11 Process costing				• Process costing	
12 Process costing, joint products and by-products					
13 Alternative costing principles					
14 Forecasting					
15 Budgeting					
16 The budgetary process				• Cash budgets	
17 Making budgets work					
18 Capital expenditure budgeting					
19 Methods of project appraisal					
20 Standard costing					
21 Cost variances				• Fixed overhead absorption	
22 Sales variances and operating statements					
23 Performance measurement				• Ratio analysis	
24 Applications of performance measurement					

Learning phase - Control sheet for Kaplan Publishing

Chapter	Content	Quiz/Test	Questions	ACCA related resources	
✓ tick the boxes below when complete					
Introduction					
1 Accounting for management					
2 Sources of data					
3 Presenting information				• Effective presentation and communication of information using charts	
4 Cost classification					
5 Accounting for materials				• Stock control	
6 Accounting for labour				• Study support video: Accounting for labour	
7 Accounting for overheads				• Fixed overhead absorption • Re-apportionment of service cost centre costs	
8 Absorption and marginal costing					
9 Job, batch and process costing				• Process costing	
10 Service and operation costing					
11 Alternative costing principles					
12 Statistical techniques					
13 Budgeting				• Cash budgets	
14 Capital budgeting					
15 Standard costing					
16 Performance measurement techniques				• Ratio analysis	
17 Performance measurement in specific situations					
18 Spreadsheets					



Revision phase

Your checklist

- ☐ Revisit areas you struggled with during the learning phase
- ☐ Ensure you are confident with the knowledge needed to pass the exam
- ☐ Make sure you are able to apply that knowledge in questions

Revision phase – Question practice

- Exam-standard question practice is vital now
- Work through as many questions as possible and all mock exams included in the [Approved Content Provider](#) question and answer banks – remember these are best for question practice as they include past exam questions updated for syllabus and format changes
- Work through the [specimen exam](#) – this will provide you with a clear picture of what the exam will look like making sure you know what to expect on the day



Tips for success

- ✓ Consider blocking time in your study plan for specific questions or mock exams to ensure you cover everything.
- ✓ Don't be afraid to attempt questions you have already done – especially the ones you found tricky first time round.
- ✓ It is really important that you do some questions in full, to exam time – time management is often an issue and the more you prepare yourself the better you will perform in the exam.
- ✓ To keep motivation high, break some questions into individual parts, write plans or notes for some parts and do others in full.
- ✓ Work through the answers carefully – pay attention to areas you got wrong and understand where you went wrong – it is better to do a few questions well than lots of questions badly.
- ✓ Try not to look at the answers before really attempting the question – you won't be able to do this in the real exam!

Revision phase – Key resources

- Review the [examining team's guidance](#) again in the context of what you have learnt
- Remind yourself of areas that students often struggle with and obtain tips on how to ensure you do not make the same mistakes by reviewing the [examiner's reports](#) from the last four sittings again
- View the study support video referred to in your control sheet again as well as the video [Paper F2/FMA MTQ](#) – this time focussing on exam technique
- Read the [exam technique and syllabus updates articles](#) – this time linking into what you have learnt
- Make sure you read the [study skills articles in Student Accountant](#) covering topics such as how to overcome exam anxiety as well as checking the Student Accountant Hub for any new technical articles related to F2



Tips for success

- ✓ Don't give up easily – if you really cannot understand something then consider posting a question on the ACCA Learning Community – if you found it difficult so will others.
- ✓ Don't miss the [specimen exam](#) – this is a full example of the exam available for both paper and CBE format and replicates the exam environment - attempt in full to time.
- ✓ Think about purchasing a [Practice Test](#) – practice makes perfect and, even better, you get personalised feedback diagrams highlighting your strengths and weaknesses, so you can refine your revision. See the [Practice tests video](#) on the student section of the website for more information on how useful these can be for your revision

Revision phase - What the examiner has said about F2 (extract from the December 2015 examiner's report)



Section A Sample questions for discussion

Example 1

A company's total operating cost is semi variable. It flexes its profit budget from an output level of 1,000 units to an output level of 2,000 units. Which of the following statements is true?

- A Operating profit will double between the two output levels
- B Fixed cost per unit at the two output levels will be the same
- C Total contribution will double between the two output levels
- D Contribution per unit will increase between the two output levels

This was a badly answered question with only 20% of candidates choosing the correct answer. It covers syllabus area B 2 a and A 3g. Candidates often appear to find questions that ask for the effect of a change in input data on performance indicators difficult. It may help them to 'invent' simple figures to test the validity of the statements on offer. For example if we assume a sales price of \$10 per unit, a variable cost of \$2 per unit and a fixed cost of \$4,000 per period, then the following figures can be quickly produced.

Sales units	1,000 \$	2,000 \$
Sales revenue	10,000	20,000
Variable cost	2,000	4,000
Total contribution	8,000	16,000
Fixed cost	2,000	2,000
Operating profit	6,000	14,000

It is soon apparent that alternative C is correct, and that the rest are incorrect. Incorrect answers appear to have been selected because of confusion between 'per unit' and 'total' figures. For example B was most popular alternative. **This suggests some confusion between fixed cost per unit (which will decrease as volume increases) and total fixed cost (which will remain the same).** Choosing option D again suggest confusion between contribution per unit (which will remain constant) and total contribution (which will increase in direct proportion to volume). **Candidates are recommended to plot some graphs** of total costs and revenues with respect to volume, and cost and revenue per unit with respect to volume to ensure they fully understand this area.





Final preparation

Your checklist

- ☐ You are clear on the knowledge you need to pass the exam as well as how to apply that knowledge
- ☐ You have the skills you need to pass the exam – eg time management

Ensure you are familiar with:

- ☐ the exam format
- ☐ the style of questions
- ☐ the way the marks are allocated
- ☐ what specific syllabus areas are likely to be tested and in which questions

Final preparation - Tips for success

An extract from the Syllabus and study guide for F2

The syllabus for FMA/F2, Management Accounting, introduces candidates to elements of management accounting which are used to make and support decisions.

The syllabus starts by introducing the nature, the source and purpose of cost accounting and the costing techniques used in business which are essential for any management accountant.

The syllabus then looks at the preparation and use of budgeting and standard costing and variance analysis as essential tools for planning and controlling business costs.

The syllabus concludes with an introduction to measuring and monitoring the performance of an organisation.



An extract from the F2 specimen exam answer

Section A

17 A Variable production cost per unit = $(15,120 - 11,280) / (10,000 - 6,000) = 3,840 / 4,000 = \0.96

Fixed cost = $11,280 - (6,000 \times 0.96) = \$5,520$

85% capacity = 8,500 units.

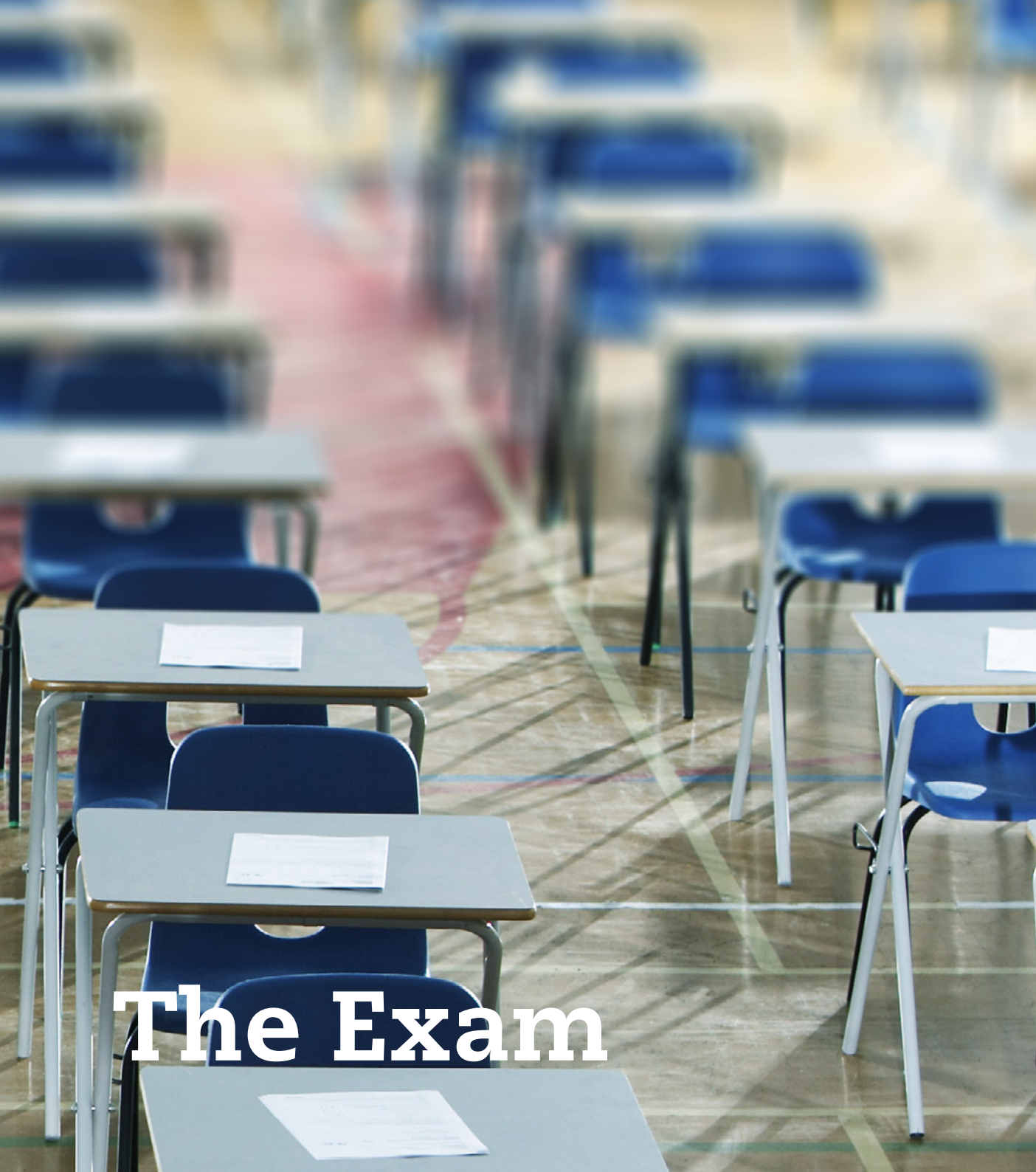
Flexible budget allowance for 8,500 units = $\$5,520 + (8,500 \times 0.96) = \$13,680$

18 C At 13% NPV should be – 10 Using interpolation: $10\% + (50/60)(13\% - 10\%) = 12.5\%$



Tips for success

- ✓ Go over questions again that you found difficult during the revision phase and make sure you attempt at least one mock again in full to time.
- ✓ If you are unsure about the exam format, the style of questions or what specific syllabus areas are likely to be tested in which questions, read the [Syllabus and Study Guide](#) again.
- ✓ If you are not sure about how the marks are allocated review the [specimen exam](#) again.



The Exam

Your checklist

- ☐ Make sure you are ready to walk into your exam

The Exam - Tips for success



Tips for success

Very few students enjoy taking exams but there are things you can do to make the experience less stressful!

- ✓ Identify where the CBE centre (if you have entered for the computer based exam) or exam hall (if you have entered for the paper based exam) is.
- ✓ Plan your route to the CBE centre or exam hall, considering the time of day you will be travelling and any potential issues.
- ✓ Have in place a back-up plan in case of traffic problems or public transport delays.
- ✓ Ensure you have all the equipment you need for the exam (black pens, calculator etc).
- ✓ Don't forget to take your exam docket with you as well as your student identification.
- ✓ Eat properly before you leave for the exam.
- ✓ Sleep properly – do not spend the night before doing last minute late night revision – you will perform so much better if you are alert and well rested (and in any case, last minute revision will only cause you to panic!).
- ✓ Try not to get into discussions with fellow students just before the exam about what might come up – again this will only cause you stress.

Once the exam is over:

- ✓ Relax.
- ✓ Don't over analyse - you cannot change anything now!

Good
Luck!

Appendix – Links

Appendix – Links

Page No.	Link	URL
04	Enter for your exam	http://www.accaglobal.com/gb/en/student/acca-qual-student-journey/exams/enter-an-exam.html
04	ACCA Learning Community	https://www.accallearningcommunity.com/
04	Exam planner tool	http://www.accaglobal.com/gb/en/student/exam-entry-and-administration/enter-an-exam/exam-planner.html
04	Exam resource finder	http://www.accaglobal.com/gb/en/student/exam-support-resources.html
04	Student section	http://www.accaglobal.com/gb/en/student.html
04	Approved Learning Provider(s)	http://www.accaglobal.com/gb/en/student/your-study-options/learning-providers.html
04	ACCA-X	http://www.accaglobal.com/gb/en/student/your-study-options/acca-x-online-courses-from-acca.html
04, 11, 16	Approved Content Provider(s)	http://www.accaglobal.com/gb/en/learning-provider/learningproviders-alpc.html
07	Formulae sheet	http://www.accaglobal.com/gb/en/student/exam-support-resources/fundamentals-exams-study-resources/f2/exam-formulae-maths-tables.html
07, 16, 17, 20	Specimen exam	http://www.accaglobal.com/gb/en/student/exam-support-resources/fundamentals-exams-study-resources/f2/past-pilot-papers.html
07, 17	Examining team's guidance	http://www.accaglobal.com/gb/en/student/exam-support-resources/fundamentals-exams-study-resources/f2/examiners-reports.html
07, 17	Examiners reports	http://www.accaglobal.com/gb/en/student/acca-qual-student-journey/qual-resource/acca-qualification/f2/examiners-reports.html
07, 17	Paper F2/FMA MTQ advice	http://www.accaglobal.com/gb/en/student/acca-qual-student-journey/qual-resource/acca-qualification/f2/technical-articles.html
07, 17	Exam technique and syllabus updates guidance	http://www.accaglobal.com/gb/en/student/acca-qual-student-journey/qual-resource/acca-qualification/f2/technical-articles.html
07, 20	Syllabus and study guide	http://www.accaglobal.com/gb/en/student/acca-qual-student-journey/qual-resource/acca-qualification/f2/syllabus-study-guide.html
10	Technical articles	http://www.accaglobal.com/gb/en/student/exam-support-resources/fundamentals-exams-study-resources/f2/technical-articles.html
11	PER (Practical Experience Requirement) objectives	http://www.accaglobal.com/gb/en/student/practical-experience/performance-objectives.html
12, 13, 14	Study support video: Accounting for labour	http://www.accaglobal.com/gb/en/student/acca-qual-student-journey/qual-resource/acca-qualification/f2/technical-articles.html
12, 13, 14	Effective presentation and communication of information using charts	http://www.accaglobal.com/gb/en/student/exam-support-resources/foundation-level-study-resources/ma1/technical-articles1/effective-presentation.html

Appendix – Links

Page No.	Link	URL
12, 13, 14	Ratio analysis	http://www.accaglobal.com/gb/en/student/acca-qual-student-journey/qual-resource/acca-qualification/f2/technical-articles/ratio-analysis.html
12, 13, 14	Fixed overhead absorption	http://www.accaglobal.com/gb/en/student/acca-qual-student-journey/qual-resource/acca-qualification/f2/technical-articles/overhead-absorption.html
12, 13, 14	Re-apportionment of service cost centre costs	http://www.accaglobal.com/gb/en/student/acca-qual-student-journey/qual-resource/acca-qualification/f2/technical-articles/re-apportionment-of-service-cost-centre-costs.html
12, 13, 14	Cash budgets	http://www.accaglobal.com/gb/en/student/acca-qual-student-journey/qual-resource/acca-qualification/f2/technical-articles/cash-budgets.html
12, 13, 14	Process costing	http://www.accaglobal.com/gb/en/student/acca-qual-student-journey/qual-resource/acca-qualification/f2/technical-articles/process-costing.html
12, 13, 14	Stock control	http://www.accaglobal.com/gb/en/student/acca-qual-student-journey/qual-resource/acca-qualification/f2/technical-articles/stock-control.html
17	Practice test	http://www.accaglobal.com/gb/en/student/acca-qual-student-journey/exams/preparing-for-exams/practice-tests.html
17	Practice tests video	http://www.accaglobal.com/gb/en/student/exam-entry-and-administration/preparing-for-exams/practice-tests.html
17	Study skills articles in Student Accountant	http://www.accaglobal.com/gb/en/student/sa/study-skills.html

