Performance Management (PM) September/ December 2023 Examiner's report

The examining team share their observations from the marking process to highlight strengths and weaknesses in candidates' performance, and to offer constructive advice for those sitting the exam in the future.

Contents

General comments

This examiner's report should be used in conjunction with the published September/December 2023 sample exam which can be found on the ACCA Practice Platform.

In this report, the examining team provide constructive guidance on how to answer the questions whilst sharing their observations from the marking process, highlighting the strengths and weaknesses of candidates who attempted these questions. Future candidates can use this examiner's report as part of their exam preparation, attempting question practice on the ACCA Practice Platform, reviewing the published answers alongside this report.

The Performance Management (PM) exam is offered as a computer-based exam (CBE). The model of delivery for the CBE exam means that candidates do not all receive the same set of questions. In this report, the examining team offer detailed debriefs of selected questions from each section of the exam.

- Section A objective test questions – we focus on four specific questions that caused difficulty in the September/December 2023 sittings of the exam.
- Section B objective test case questions – here we look at one case from syllabus area C in detail.
- Section C constructed response questions – here we provide commentary on two questions, providing guidance on answering these questions and where exam technique could be improved.

Section A

In this section we will look at **FOUR** Section A questions which proved to be particularly difficult for candidates.

Example 1
Which TWO of the following statements concerning the assumptions of cost-volume-profit (CVP) analysis are true?

Options:

A. Contribution per unit is constant with respect to volume

B. Total fixed costs will reduce as volume increases

C. To increase demand the selling price per unit must be reduced

D. All costs can be classified as either fixed or variable

E. It is best suited as a long-term planning tool

What does this test?

✓ The understanding of the assumptions behind, and hence limitations of, cost volume profit (CVP) analysis

What is the correct answer?

✓ The correct answers are **A and D, Contribution per unit is constant with respect to volume and All costs can be classified as either fixed or variable**

CVP assumes a constant selling price per unit and a constant variable cost per unit, therefore there would be a constant contribution, so statement A is true.

Fixed costs are assumed to be constant in total. It is the fixed cost per unit that will decrease with output so statement B is false.

CVP assumes a constant selling price, therefore there is no need to cut the price to increase demand, so statement C is false.

All costs are assumed to be fixed or variable in classification, so statement D is true.

CVP is more suited as a short-term planning tool as the assumption is that nothing is constant in the long-term so statement E is false.

Example 2
Prest Co sells three products, R, S and T. The following information is available for the last period.

	Product R	**Product S**	**Product T**	**Total**
Budgeted sales volume	1,500	900	2,600	5,000
Actual sales volume	2,600	1,100	2,300	6,000
Standard margin per unit	$5	$6	$7	
Actual margin per unit	$6	$7	$8	

What is the total favourable sales quantity variance (to the nearest $)?

$ _____ Favourable

What does this test?

✓ The understanding of sales mix and quantity variances

What is the correct answer?

✓ The correct answer is **$6,220** favourable

The sales quantity variance is calculated as (actual quantity in the standard mix - standard quantity in the standard mix) x standard margin. It is easier to lay this out in tabular form:

Product	Standard Quantity in Standard Mix	Actual Quantity in Standard Mix	Difference	Standard margin	Variance (Difference x Standard margin)
R	1,500	1,800	300 F	5	$1,500 F
S	900	1,080	180 F	6	$1,080 F
T	2,600	3,120	520 F	7	$3,640 F
	5,000	6,000			$6,220 F

Example 3
Lake Co has operating gearing of 160%. It calculates operating gearing by dividing contribution by operating profit.

How much will Lake Co's operating profit fall by if its sales volume reduces by 20% (to the nearest whole %)?
_____ **%**

What does this test?

✓ The understanding of financial performance indicators

What is the correct answer?

✓ The correct answer is **32%**

There are a number of definitions of operating gearing, so the definition to use has been given in the question.
In questions like this, where the figures for contribution and operating profit are not given, you should establish a set of figures and put these in a table.
So, if operating profit/contribution = 160%, you could use contribution = 160 and operating profit = 100. This would mean fixed costs must be 60:

Contribution	160
Fixed cost	60
Operating profit	100
Operating gearing (100/160)	160%

Now the impact on contribution and operating profit of the volume reduction can be calculated. The fall in sales volume will affect contribution (160 x 80% = 128), but the fixed costs will remain the same. This results in an operating profit of (128 – 60) = 68, which is a reduction of (100-68)/100 = 32%.

	Current	20% fall in volume	New
Contribution	160	(160 x 80%)	128
Fixed cost	60		60
Operating profit	100		68
Operating gearing	160%		

There was an easy way to calculate this, if you knew how: 160% x 20% = 32%

Example 4
Rotag Co manufactures cement. It has decided to improve its image with regard to environmental issues and is hoping that the new activity-based costing (ABC) approach being introduced will help the company to better allocate the environmental costs it incurs.

Which TWO of the following environmental costs would be better allocated as a result of the introduction of ABC?

Options:

A. Normal material losses arising from a wasteful manufacturing process

B. Salary costs of the supervisor at Rotag Co's CO_2 emission purification process

C. Off-site costs of training staff to follow relevant environmental safety procedures when making products

D. Increased hourly wages paid to compensate staff for working with toxic gases

What does this test?

✓ The understanding of accounting for environmental costs

What is the correct answer?

✓ The correct answers are **B and C, Salary costs of the supervisor at Rotag Co's CO2 emission purification process and Off-site costs of training staff to follow relevant environmental safety procedures when making products**

All of the costs suggested are environmental costs associated with cement manufacture. Activity-based costing (ABC) is an approach best suited to the allocation of overhead costs based upon specific activities that are undertaken that cause the costs to be incurred. So, although the question is around environmental costs your knowledge of ABC will be of assistance here.

The salary cost of the purification supervisor is an overhead which could be allocated to production based on the levels of CO_2 emission purification required as a result of the production processes used. Staff training is an overhead which could be allocated based on the amount of training needed for each product.
Both costs could therefore be better identified as a result of switching to an ABC approach as there are specific activities that give rise to the costs and cost drivers that can be identified for these.

However, normal material losses are spread over the cost of good production and are not treated as a separate cost. They will already be directly attributed to the products and will not be better identified as a result of ABC. Increased hourly wages will also already be directly attributed to the relevant products and will not be better identified as a result of ABC.

Section B

In this section we will look in detail at a case covering activity-based costing (ABC) from syllabus area B – Specialist cost and management accounting techniques.

Raasay Co

Raasay Co manufactures three types of guitars in one of its divisions: the Jazz, the Rock, and the Classic.

Raasay Co currently operates a costing system which uses a single overhead rate, based on revenue, to charge overhead costs to the guitars. The finance director has suggested a change to an activity-based costing (ABC) system.

The following information has been collected about the manufacture of the components:

Component information	**Jazz**	**Rock**	**Classic**
Selling price	$620	$700	$450
Prime cost	$370	$400	$180
Number of components produced and sold	5,000	6,000	3,000
Production batch size (units)	100	150	200
Machine set-ups per batch	3	5	4
Processing time per unit (hours)	4	5	3
Quality inspections per batch	4	6	8

Further details on the overheads incurred have also been ascertained:

Activity	**Cost driver**	**Production overhead cost ($)**
Quality inspection	Number of quality inspections	40,810
Machine set-up	Number of machine set-ups	120,540
Component processing	Processing time (hours)	643,100

Question 1

What is the profit per unit of a Jazz guitar using the current basis for charging overhead costs (to two decimal places)?

Options:

A. $192.34

B. $250.00

C. $312.34

D. $57.66

✓ The correct answer is **A: $192.34**

The profit per unit of a Jazz guitar = selling price – prime cost – overheads. The selling price and prime cost per unit are given, but the overhead cost per unit needs to be calculated. Overheads are absorbed on a revenue basis.

The overhead absorption rate (OAR) = total overheads/total revenue:

Total overheads	= ($40,810 + $120,540 + $643,100) = $804,450
Total revenue	= ($620 x 5,000) + ($700 x 6,000) + ($450 x 3,000) = $8,650,000
OAR	= $804,450/$8,650,000 = $0.093 per $ revenue

The profit per unit of a Jazz guitar = $620 – $370 – ($620 x 0.093) = **$192.34**

Distractors:

Option B is equal to the selling price less prime costs

Option C is equal to the prime costs less overheads

Option D is equal to just the overhead figure

Question 2

Using activity-based costing, what is the machine set-up cost for a Rock guitar (to two decimal places)?

$ _____

✓ The correct answer is **$9.80**

The machine set-up for a Rock guitar
= (cost per machine set-up x number of set-ups for all Rock guitars)/
total number of Rock guitars produced

The cost per machine set-up = total machine set-up costs/total number of set-ups

The total number of set-ups:

Product	**Jazz**	**Rock**	**Classic**	**Total**
Batches	(5,000/100) = 50	(6,000/150) = 40	(3,000/200) = 15	
Set-ups per batch	3	5	4	
Total machine set-ups	150	200	60	410

The cost per machine set-up = $120,540/410
= $294 per set-up

The total machine cost for a Rock guitar = ($294 x 200)/6,000
= **$9.80**

Question 3

Using activity-based costing, what is the cost of component processing for a Classic guitar (to two decimal places?

Options:

A. $32.70

B. $3.00

C. $7.01

D. $95.26

✓ The correct answer is **A: $32.70**

The component processing cost for a Classic guitar
= (cost per component processing hour x processing time per Classic guitar)

The cost per processing hour
= total component processing costs/total processing time (hours)

The total processing time (hours):

Product	**Jazz**	**Rock**	**Classic**	**Total**
Number of units	5,000	6,000	3,000	
Processing time per unit (hours)	4	5	3	
Total processing time (hours)	20,000	30,000	9,000	59,000

The cost per processing hour = $643,100/59,000 = $10.90 per hour.
The total component processing cost for a Classic guitar = $10.90 x 3 = $32.70

Distractors:

Option B is equal to the processing time per unit for the Classic guitar

Option C is equal to the total processing cost for Classic guitars ($10.90/hour x 9,000 hours = $98,100) divided by the total production units for all three guitars (5,000 + 6,000 + 3,000 = 14,000)

Option D arises where batch size is incorrectly used as driver

Question 4

Which of the following statements concerning the advantages of activity-based-costing (ABC), as opposed to a traditional absorption costing system, is correct?

Options:

A. All overhead costs will be accurately linked with a measurable cost driver, which will facilitate the control of all overhead costs

B. Costing will be more accurate when overheads are a small proportion of total costs

C. Short-term decision-making will be more meaningful because all fixed production overheads are included in the calculations

D. Costing will be more accurate as it recognises that activities are consumed at different rates by different products

✓ The correct answer is **D: Costing will be more accurate as it recognises that activities are consumed at different rates by different products**

ABC is limited in as much as it will still have an element of arbitrary allocation – not all costs can be definitively linked to a cost driver, therefore statement A is incorrect.

ABC gives more accurate costing when overheads are a large proportion of total costs therefore statement B is incorrect.

Absorption costing also includes fixed overheads so there can be no advantage to using ABC and short-term decision-making often assesses fixed cost as irrelevant, therefore statement C is incorrect.

Question 5

The finance director is pleased with the results of the ABC analysis of the guitars and is keen to extend the use of ABC to other divisions in the company.

One such division, which manufactures electronic keyboards, has begun to introduce ABC and has identified some relevant activities and cost drivers.

Match the most appropriate cost driver to the activities identified.

Cost Driver	Activity
Number of service requests	Material handling
Number of material movements	Customer service
Number of purchase orders	IT support
Number of machine hours	Procurement
Number of warranties handled	Maintenance

✓ The correct matching is:
Material handling – number of material movements
Customer services – number of warranties handled
IT support – number of service requests
Procurement – number of purchase orders
Maintenance – number of machine hours

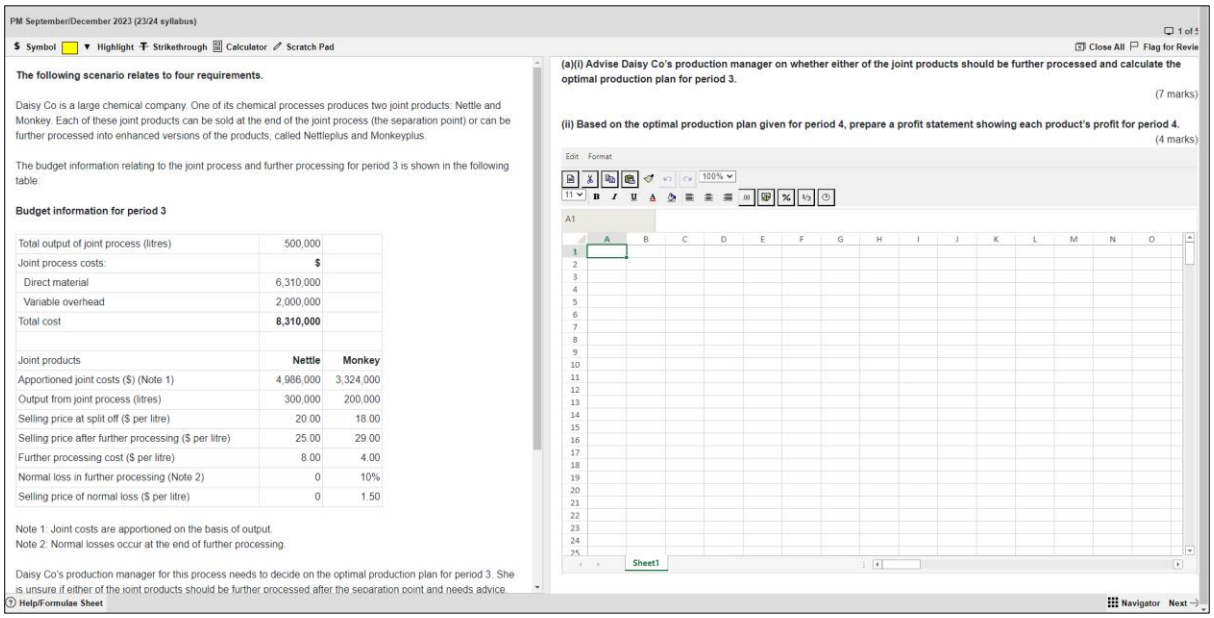
In each case the cost driver has been selected as one that reflects the nature of the activity, and one that if increased would lead to additional activity costs to be incurred.

It is necessary to use business organisational knowledge to accurately identify activities with the cost drivers; such as procurement involves raising purchase orders for goods or services and customer service is likely to be dealing with warranty claims for faulty products.

Section C

In this section we will look in detail at TWO constructed response questions from different syllabus areas. The full questions and solutions have been published and are available on the ACCA Practice Platform.

Daisy Co



PM September/December 2023 (23/24 syllabus)

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The following scenario relates to four requirements.

Daisy Co is a large chemical company. One of its chemical processes produces two joint products: Nettle and Monkey. Each of these joint products can be sold at the end of the joint process (the separation point) or can be further processed into enhanced versions of the products, called Nettleplus and Monkeyplus.

The budget information relating to the joint process and further processing for period 3 is shown in the following table:

Budget information for period 3

Total output of joint process (litres)	500,000	
Joint process costs:	$	
Direct material	6,310,000	
Variable overhead	2,000,000	
Total cost	**8,310,000**	
Joint products	**Nettle**	**Monkey**
Apportioned joint costs ($) (Note 1)	4,986,000	3,324,000
Output from joint process (litres)	300,000	200,000
Selling price at split off ($ per litre)	20.00	18.00
Selling price after further processing ($ per litre)	25.00	29.00
Further processing cost ($ per litre)	8.00	4.00
Normal loss in further processing (Note 2)	0	10%
Selling price of normal loss ($ per litre)	0	1.50

Note 1: Joint costs are apportioned on the basis of output.
Note 2: Normal losses occur at the end of further processing.

Daisy Co's production manager for this process needs to decide on the optimal production plan for period 3. She is unsure if either of the joint products should be further processed after the separation point and needs advice.

Help/Formulae Sheet

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(a)(i) Advise Daisy Co's production manager on whether either of the joint products should be further processed and calculate the optimal production plan for period 3.

(7 marks)

(ii) Based on the optimal production plan given for period 4, prepare a profit statement showing each product's profit for period 4.

(4 marks)

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Sheet1

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This question is from two sections of the syllabus. Parts (a) and (b) are from section C of the syllabus, Decision-Making Techniques, specifically to apply relevant costing principles in situations involving the further processing of joint products. It is important to remember all syllabus areas can be tested and therefore a broad knowledge of the syllabus is required. Part (c) is from section A of the syllabus, Management Information Systems and Data Analytics and focuses on the benefits of information systems.

Daisy Co is a large chemical company, and we are provided with information about two of their products which can be further processed into different products. It is important to recognise that the information provided in the question is for two distinct periods, period 3 and period 4.

Requirement (a)

This requirement is broken down into two parts with part (i) addressing period 3 and part (ii) addressing period 4.

Requirement (a)(i) – 7 marks

(a) (i) Advise Daisy Co's production manager on whether either of the joint products should be further processed and calculate the optimal production plan for period 3.

(7 marks)

This should be a very straightforward requirement with all the information clearly provided in the scenario.

There are a few things to consider before tackling this part:

1. The period covered - this requirement is only asking for period 3 for which the information is covered in the first section of the scenario, the information for period 4 is not required to be considered.

2. Breaking down the requirement - there are two parts to this requirement and therefore two things to be addressed in a candidate's response. Firstly, advise whether the joint products should be further processed and secondly, calculate the optimal production plan.

3. Presentation - calculations are required for this requirement so consideration must be given to how they are presented. Calculations to support the decision whether to further process and calculations to show the optimal production plan. In addition to this, the requirement is for advice so this needs to be clearly shown.

4. Verb used in the requirement – 'advise'. This is the **justified** suggestion of the action which should be taken. The company, Daisy Co, has an overall objective to maximise profit, therefore the advice must be the decision to make that will maximise contribution and therefore maximise profit. In this question, it asks whether the joint products should be further processed, and the advice given must state whether to further process each of the two products and demonstrate why this will be beneficial to the organisation's profitability.

Further processing decision

At the point of making the decision the joint process has already been completed, therefore the costs incurred in the joint process are not relevant. Whether the decision is to process further or sell at the split-off point it will have no impact on the costs which have already been incurred up to the split-off point.

Consideration must be given to the following questions to establish if Daisy Co would be better off by processing further:

- Is there additional contribution generated by processing the Monkey to the Monkeyplus, and
- Is there additional contribution generated by processing the Nettle to the Nettleplus?

These two questions must be separately answered, it is not an all-or-nothing decision, for each of the two products at the split-off point the decision must be made.

A good response provided a clear table of calculations with the Monkey/Monkeyplus and Nettle/Nettleplus shown separately. Calculations of the profit from the joint process are not required and therefore a calculation of the incremental revenue and incremental costs should be prepared. This will enable a decision to be made as to whether Daisy Co would be better off by further processing either or both of the products.

The full solution can be found on the ACCA Practice Platform, and it shows the correct approach to the calculations which should be studied. Rather than repeat these workings, here are a couple of points worth noting about this specific situation:

- Nettle is a straightforward calculation where the necessary information can be clearly identified.

- Monkey is a more complicated decision as there are normal losses in the process. This requires two additional calculations and figures to be considered when identifying the additional profit generated from further processing.
  - There are losses in the process so the units available to sell at the end of the process will be fewer than were output from the joint process. The final volume of Monkeyplus must be calculated for revenue purposes.
  - The normal loss can be sold for $1.50 per litre, generating an additional revenue stream.

The most common mistakes were to include costs for just 180,000 litres or to ignore the revenue from the sale of the normal losses.

Addressing the requirement

Most importantly advice was required – Nettle should not be further processed because the profit is higher at split off, and Monkey should be further processed to Monkeyplus because the profit is higher after further processing. A disappointing number of candidates lost marks by not providing this and simply stopped at the calculations.

Many candidates also failed to provide the optimal production plan. This should state the volume to be produced of each product. In this case, based on our decision above, the optimal production plan is 300,000 litres of Nettle and 180,000 litres of Monkeyplus.

Requirement (a)(ii) – 4 marks

(a) (ii) Based on the optimal production plan given for period 4, prepare a profit statement showing each product's profit for period 4.

(4 marks)

This requirement related to the situation in period 4, with Nettle and Monkeyplus sales volumes and joint process costs given. Total revenue from the sale of Nettle and Monkeyplus should be calculated, and the joint costs and further processing costs (for Monkeyplus only) must be included.

The challenge with this question was to recognise that the sales of Monkeyplus, after further processing, will be impacted by the 10% normal loss that is incurred. Further processing costs will be on the full volume, but sales revenue only earnt on the remaining litres after losses. Additional revenue from the sale of normal loss litres should also be included. The Monkeyplus losses caused issues for a number of candidates.

Requirement (b) – 3 marks

(b) Explain why joint processing costs are considered irrelevant when making the further processing decision but are considered relevant when assessing the profitability of the overall process.

(3 marks)

This requirement was well answered with most candidates being able to gain two of the three marks by providing a simple explanation of the relevance of the joint process costs. Recognising the point at which the decision is made is critical as this will determine whether any joint costs represent a future, incremental cashflow for that decision.

When deciding on further processing (as was in part (a)) the joint costs are a sunk cost and are not relevant, the decision to further process will not impact these costs because they have already been incurred. Most students could articulate that these were a sunk cost. When deciding if a whole process is viable the joint costs have not yet been incurred and are a further incremental cashflow of the decision and will be relevant.

A good answer discussed the two points above as well as the fact the joint costs must be considered to establish the profitability of the process though they are an arbitrary apportionment at the point of split off.

Requirement (c) – 6 marks

(c) Discuss the benefits for Daisy Co of investing in an enterprise resource planning system.

(6 marks)

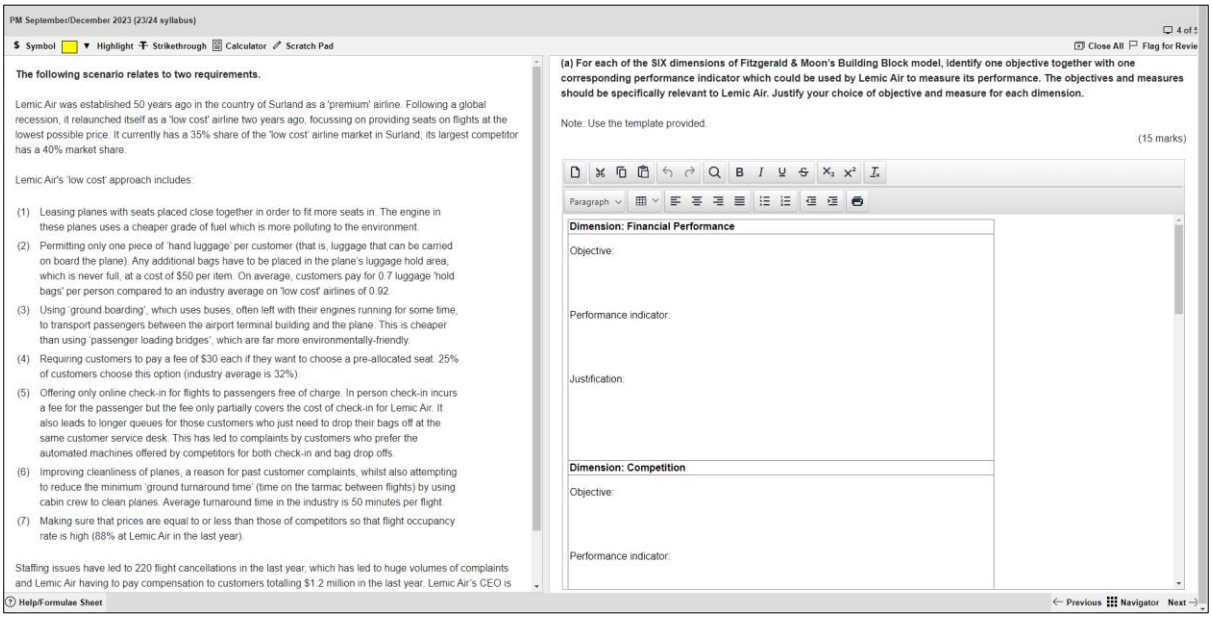
This part of the question focuses on management information system benefits and is specifically about an ERPS (enterprise resource management system).

Application to Daisy Co is clearly required, so the benefits need to be addressed in the context of Daisy Co. Failure to do this, providing general comments about the benefits of an ERPS, meant that limited marks could be obtained.

The scenario provides some useful information about the current provision of information at Daisy Co, and it highlights weaknesses in their existing system. A good answer explained how an ERPS would benefit Daisy Co and the information shared by departments and overcome these weaknesses. Importantly the verb in the requirement is to discuss, a general statement without showing why it would be a benefit would not gain a mark.

Whilst an explanation of what an ERPS is can be useful to introduce a response to this question it will not meet the specific requirement of discussing the benefits of it for Daisy. Candidates who simply provided the characteristics of an ERPS did not score well in this question part.

Lemic Air



This question is from the Performance Management area of the syllabus, specifically focussing on performance appraisal using the Building Block Model (BBM).

Requirement (a) – 15 marks

(a) For each of the SIX dimensions of Fitzgerald & Moon's Building Block model, identify one objective together with one corresponding performance indicator which could be used by Lemic Air to measure its performance.

The objectives and measures should be specifically relevant to Lemic Air. Justify your choice of objective and measure for each dimension.

Note: Use the template provided. (15 marks)

The template provided to answer this question included the six dimension headings and helped to ensure consistency of approach, with a clear space for the objective, performance indicator and justification for each dimension. This was well used with almost all candidates using the template appropriately.

With 15 marks for six dimensions, this would suggest 2.5 marks available per dimension. There are three distinct requirements for each dimension, so this mark allocation seems reasonable.

Lemic Air is a well-established airline which rebranded as a budget airline in the last two years. It is important to recognise that there is no requirement to assess the performance of Lemic Air.

The best way to tackle this type of question is to work through the dimensions one by one. Firstly, select an objective for each dimension, then ensure that the performance indicator will enable an assessment of the achievement of this objective. The requirement clearly states that both the objective and performance indicator should be relevant to Lemic Air -

generic answers will score very little. The requirement also clearly states that both the objectives and the performance indicators must be justified.

The requirements are clear. The difficulty many candidates had in this question was in appreciating the difference between objectives and performance indicators. This is fundamental to the understanding of performance management. Many candidates did not appear to know what an objective was or could not suggest a suitable performance indicator.

Objectives are what the organisation is trying to achieve under each dimension. Performance indicators are what it will use to assess if it has achieved these objectives.

Choosing appropriate measures can be difficult. It is a hard skill to master in performance management questions, partly because the time spent reading the scenario can feel like unproductive time. It cannot be overstated how important it is though, as time must be spent reading and analysing the scenario in order to identify suitable measures.

The scenario for Lemic was lengthy and offered a lot of information which could have been helpful in formulating the answer, but many candidates simply copied and pasted chunks of text from the scenario without showing any understanding of the underlying issues with Lemic. Marks will not be awarded for text copied without application.

Candidates performed better in some dimensions than others, for example financial was tackled better than dimensions such as resource utilisation or flexibility, which proved to be more difficult.

For financial, many candidates automatically select measures of ROCE or profit margin. These are relevant measures for the financial dimension but are generic and could be applied to any company. Measures which showed a better understanding of the issue facing Lemic scored better. Lemic is a low-cost airline so operates within tight margins. The objective here should recognise the need to either cut operating costs or increase revenue. The scenario gave examples of the cost issues around check-in and bag drop-offs and the additional revenue streams available to Lemic, such as extra luggage or pre-selected seats. These could have formed a relevant measure for Lemic under the financial dimension.

Resource utilisation was not well done. This dimension is about the organisation making the best use of the resources it has. Many candidates suggesting fitting more seats into the planes, or leasing other aircraft, which are about increasing resources not about the best use of the resources available. A better measure here would be the flight occupancy rate. This can be justified by explaining that it is better to fly with flights as full as possible as many of the costs of a flight are fixed (fuel, staff and airport costs). The higher the number of passengers per flight, the higher the income and therefore the more profit will be earned per flight. Low flight occupancy rates could result in some flights making a loss.

Flexibility also proved difficult, but the scenario gave information about cross training of staff and this should have been picked up under this dimension. The more staff that are cross-trained, the more flexibility the company will have as staff members can be moved around to tackle different roles.

There was information in the scenario which could have been clearly associated with each dimension. For example, the detail of the new check-in machines could be used under innovation, the problems relating to customer complaints could be used under quality and the information regarding market share could be used under competition.

Reading the suggested solution will give good ideas of what could have been used for used for each dimension, but it is more beneficial to try to work through the question first before reading this.

Requirement (b) – 5 marks

(b) Discuss the issues that Lemic Air faces with regard to the management of its environmental costs.

(5 marks)

Throughout the scenario there are points relating to the environmental issues faced by Lemic and these points should be referred to in this part of the answer. The main elements to recognise here are that Lemic is a low-cost airline and in an effort to keep costs to a minimum it leases planes which use cheaper, more polluting fuel and it uses ground boarding which results in buses leaving their engines running.

As mentioned previously, cutting and pasting sections of the scenario straight into the answer will not score well. It is important to make a clear point in the answer, and then back this point up with a reference from the scenario.

The requirement here as for a discussion so it is important to develop the points made. Stating that Lemic should use less polluting fuel or should use passenger loading bridges would not score well as the environmental effects of these decisions must be discussed in light of the low-cost mature of the operation.

Many candidates performed well here and were able to bring in discussions relating to the public perception of polluting companies and how Lemic could lose custom, and that Lemic could face fines as a result of its polluting behaviour.

The full suggested solution can be found on the Practice Platform.

The ACCA practice exam platform will also give you access to previous questions covering this topic, such as Medcomp from the MJ23 sitting.