

Applied Management Accounting: Summary of corrections to course materials

These changes affect version V004 of the materials.

Course Notes & Questions

Page 357	Chapter 11 Practice Example 10 The question should say: Calculate the accounting rate of return for the <u>brewery</u> to 2 decimal places.
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Task Bank & Mocks

Page 33 & 175	Task 3 briefing Fixed overhead efficiency and capacity variances were included here in error. These are not in the syllabus content, so we have removed these from the task briefing.						
Page 64	Task 5 Revision Example 4 Part (b) contained a question about shadow pricing which is not in the syllabus. Change the third statement to: The price of purchasing an alternative for extra resource is only significant for constraints that are binding. Answer is true.						
Page 109	Task 2 Revision Example 3 Part (b) contained an explanation relating to machinery cost and value. This was not required in the question, so this has been removed.						
Page 217	Mock 1 Task 6 The answer to part (e) should be: <table><tr><td></td><td>£</td></tr><tr><td>Average accounting profit per year (£) $28,000+32,000+26,000+25,000/4$</td><td>27,750</td></tr><tr><td>Accounting Rate of Return (%) $27,750/85,000 \times 100$</td><td>33%</td></tr></table>		£	Average accounting profit per year (£) $28,000+32,000+26,000+25,000/4$	27,750	Accounting Rate of Return (%) $27,750/85,000 \times 100$	33%
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Page 268	Mock 2 Task 8 The answer to part (c) (i) should be: (i) The moving average figure is <table><tr><td>-7,000</td></tr></table> $199,500 - 206,500 = -7,000$	-7,000					
-7,000							