IQM4011

LEVEL 4 · GROUP COURSEWORK

INTO QUALIFICATIONS

Management Accounting and Financial Decision-Making

Sample group management accounting case assignment: BrightPath Foods Ltd

Candidate assessment pack

Assessment
IQM4011 A2

Sample set
2026-S

Status
SAMPLE ASSESSMENT

Response length
3,000 words per group, excluding the reference list and appendices

Total marks
100

AI condition
Level 2 – AI Planning only; AI must not perform assessed calculations, technique selection, interpretation, analysis, evaluation or recommendation. Declare permitted use.

Release timing
at coursework release

About this sample assessment

Group report and formula-based workbook applying budget preparation, variance analysis, divisional performance, investment appraisal, sensitivity, stakeholder/behavioural judgement and digital reporting. Work in a group of 3–4 students. Submit one report of 3,000 words per group, excluding the reference list and appendices, one completed formula workbook, a group contribution record, and the required AI declarations. All BrightPath data below are synthetic and independent from any real source pack.

Instructions for candidates

Permitted materials: Open-resource coursework. Permitted materials/evidence: Case data, financial schedules and independently selected/read sources. Clear workings, assumptions, calculation schedules, tables, charts or dashboards may be used. Permitted calculator: Not applicable to this assessment.

Submit the report and the completed controlled workbook supplied for this assessment, together with the group contribution record and the controlled AI Use Declaration Form supplied by your centre. For A2, at least one group member must certify the declaration for the group, with any required individual details completed. The group must prepare and check its own calculations and workings in the workbook. Pasted figures without visible workings do not provide the required evidence.

Use AI only within the stated Level 2 – AI Planning condition and declare permitted use in the required form. The group must agree and record each member’s contribution.

- Executive summary
- Case and management-accounting issues
- Flexible budget and variance analysis
- Divisional performance
- Investment appraisal and sensitivity
- Ethical, behavioural, sustainability and stakeholder evaluation
- Recommendations
- References
- Appendices: workbook schedules and group contribution record

Assessment context and task

Context: BrightPath Foods Ltd makes snack boxes at one plant. Month 6 budget: production/sales 5,000 units at £30 selling price; standard ingredients 0.8kg/unit at £4/kg; standard labour 0.5 hours/unit at £12/hour; variable production overhead £2 per unit; fixed production overhead £18,000/month. Month 6 actual: 4,800 units sold; sales price £29.50; ingredients used 3,960kg costing £16,632; labour 2,500 hours costing £31,250; variable overhead £9,840; fixed overhead £18,600. There is no inventory change. Division East: profit £84,000; capital employed £600,000; imputed charge 10%.

Division West: profit £72,000; capital employed £450,000; imputed charge 10%. A new packing line costs £180,000 at time 0; net operating cash inflows Y1-4: £58,000, £62,000, £65,000, £48,000; discount rate 10%, factors .909, .826, .751, .683. A 12% downside reduces Y1-4 inflows, but not initial cost. All inputs are fictional and supplied only for this exercise.

Task: As a group, advise BrightPath’s board. Prepare a flexible budget for actual output; calculate material price and usage, labour rate and efficiency, variable and fixed overhead expenditure, and sales-volume/revenue measures using clearly stated definitions; calculate ROI and residual income for East and West; calculate packing-line NPV and payback and 12% downside NPV; interpret relationships/causes and controllability; evaluate ethics, behavioural and sustainability/stakeholder issues; recommend action. Use the supplied controlled workbook to build formula-based workings on

its input, workings, checks and summary tabs. All assessed calculations, technique selection, interpretation, analysis, evaluation and recommendations must be your group’s own work. Do not invent missing evidence.

Required Data: Use exactly the supplied synthetic input values. For sales revenue variance, state whether using price/volume variance and the adopted standard contribution/profit approach; source provides no sales budget profit measure beyond selling price and output. Assume no inventory changes. Explicitly identify any denominator or variance convention.