

AAT LEVEL 4

MABU QUESTION BANK ERRATA

16/11/16

Task	Page	Details
2.15	80	Estimated £72,000 NOT £285,000 Workings are not affected.
4.13	91	Remove £ next to number of units (3,400 and 3,080)
4.16	97	Letters (b) and (c) in the wrong order in solution
4.17	97	No workings provided for solution
6.5	113	Potential shortages row missing from table
6.6	114	Recruit more skilled labour would seem an obvious solution to the problem identified
7.4	118	No workings provided for the solution
8.8	129	Returning customers (4 visits) working should be (425/480) not (428/480)
8.9	129	Para 4 missing full stop
AAT sample paper 1 (c)	134	Drop down list should have "capitalise and depreciate over useful life" as an option not "capitalised and depreciate over useful life"
AAT sample paper 1 (e)	135	Remove bold from "the budget committee.... Form of indices"
AAT sample paper 5 (b)	144	Remove bullet "no finished goods are heled in stock"
AAT sample paper 5 (b)	144	The requirement should say "Calculate the sales revenue budget and production cost budget for April using the information provided" not "Calculate the budget for April"
AAT sample paper 5 (b)	144	Delete "Complete the table using the information below"
AAT sample paper 8	149	Change "right" to "below" in first sentence of requirement
AAT sample paper 2 (d)	159	Wrong solution/table not required and answer is 90% not 88% utilisation
AAT sample paper 5 (b)	164	Delete gross profit line from table
AAT sample paper 6 (b)	166	Remove minus signs from table
BPP Practice Assessment 1 task 2a	195	All rejected production and total manufactured units have been calculated incorrectly (8 entries in total)
BPP Practice Assessment 1 task 2d	196	Utilisation is 94% not 95%
BPP Practice Assessment 1 task 4a	200	2 nd para – raw material price should increase by 3%

BPP Practice Assessment 1 task 5a	201	1 st item is a variable cost NOT semi-variable cost
BPP Practice Assessment 1 task 5a	201	2 nd item is "bottom up budgeting" not zero based budgeting
BPP Practice Assessment 1 task 6b	186 & 203	Heading should read "material" not "Labour" in question and solution
BPP Practice Assessment 1 task 6b	203	Cost variance should be 1.4% (not 14.1%) in both working and table
BPP Practice Assessment 1 task 7	187	Total actuals should be 1312471 not 1319471 and operating profit actual should be 52,529 not 45,529. Solution is unaffected
BPP Practice Assessment 2 task 1c	212 & 232	No suitable option for labour in drop down menu. No solution has been given on p.232
BPP Practice Assessment 2 task 4	219 & 236	<p>Hours required for production in next years budget should be 803,191 not 803,250. In solution it refers to this figure, so also needs to be changed.</p> <p>Next year's budget for labour should be £15,000,000 not 14,000,000</p> <p>Labour hours at overtime rate for next year should be 53,191</p> <p>Labour cost at overtime rate should be £1,595,730 for next year.</p> <p>Meaning total labour cost for next year should be £16,595,730</p> <p>All references and % in narrative need to be changed where appropriate too. See screen shot below from online errata details (provided by Nisar).</p>
BPP Practice Assessment 2 task 5c	223 & 238	Total of first draft column should be £364,166 not £362,466 and gross profit should be £175,834 not £177,534. This also needs to be changed in the solution on page 238. On solutions the increase in gross profit should be £26,611 not £24,911.
BPP Practice Assessment 2 task 6c	240	Material cost working is missing from solution.
BPP Practice Assessment 3 task 6c	278	Material cost working is missing from solution.

Question reference **Details of error and changes to be made**

BPP The question should say:

practice
assessment
2 Task 4

		This year	Next year
		Actual	Budget
Number of courses		2,567	2,465
Number of students		56,474	58,062
Number of qualifications awarded		9,412	9,677
Labour hours per qualification awarded		87	83
Labour			
Required for production (hours)		818,844	803,191
Labour hours @ standard rate		750,000	750,000
Labour cost @ standard rate £20/hr		£15,000,000	£15,000,000
Labour hours @ overtime rate		68,844	53,191
Labour cost @ overtime rate		£2,065,320	£1,595,730
Direct labour cost total (£)		£17,065,320	£16,595,730

The answer should say:

I attach the proposed labour budget for next year for your consideration and approval. This year's results are shown for comparison.

This draft is based on the agreed number of 2,465 courses, which is 4% fewer than this year. The total number of labour hours is expected to fall from 818,844 to 803,191, which is 2%.

The number of labour hours worked at the standard rate will remain constant at 750,000 hours. The fall in the total labour hours

Question reference **Details of error and changes to be made**

needed will result in a fall in overtime hours from 68,844 hours to 53,191 hours. Overtime payments will fall by £469,590.

Overall the direct labour budget shows a reduction of 2.8% compared with this year. However, the number of qualifications awarded is set to rise by 2.8%, which should result in increased revenue being recognised during the year.