

C01 - Fundamentals of Management Accounting (2011 syllabus)

A guide for students

Introduction

CIMA has revised its Certificate in Business Accounting syllabus for 2011. This revision is a closer fit with our 2010 chartered management accounting qualification.

The updated content reflects significant emerging issues facing the business and financial communities like the 2008 banking crisis and credit crunch. The updated syllabus also uses a new format which links the lead aims, learning outcomes and syllabus content more explicitly.

Assessments based on the CIMA certificate in business accounting 2011 syllabus have been available since October 2011.

This guide will provide you with information about the revised C01 Fundamentals of Management Accounting 2011 syllabus.

Section A – The syllabus structure and learning outcomes

The C01 syllabus is split into 5 topic areas:

- A: The context of management accounting (10%)
- B. Cost identification and behaviour (25%)
- C: Planning with organisations (30%)
- D: Accounting control systems (20%)
- E: Decision making (15%)

Go to <http://www.cimaglobal.com/Students/Exam-preparation/> for the full syllabus

The % weighting for each topic is provided as a guide to the proportion of study time each area requires. The study weightings also indicate the approximate proportional distribution of marks that will be allocated to topics in any single computer based examination.

It is essential that all areas in the syllabus are studied, since any single exam question may examine more than one topic.

Each subject within the syllabus is divided into a number of broad syllabus topics. The topics contain one or more lead learning outcomes, related component learning outcomes and indicative knowledge content.

A learning outcome has two main purposes:

- (a) to define the skill or ability that a well prepared candidate should be able to exhibit in the examination
- (b) to demonstrate the approach likely to be taken in examination questions.

In the CIMA Certificate in Business Accounting syllabus only verbs from levels 1, 2 and 3 (knowledge, comprehension and application) are used in the component learning outcomes and therefore only verbs from these three levels can be used in the exams.

LEARNING OBJECTIVE	VERBS USED	DEFINITION
Level 1 KNOWLEDGE		
What you are expected to know.	List	Make a list of
	State	Express, fully or clearly, the details of/facts of
	Define	Give the exact meaning of
Level 2 COMPREHENSION		
What you are expected to understand.	Describe	Communicate the key features
	Distinguish	Highlight the differences between
	Explain	Make clear or intelligible/State the meaning or purpose of
	Identify	Recognise, establish or select after consideration
	Illustrate	Use an example to describe or explain something
Level 3 APPLICATION		
How you are expected to apply your knowledge.	Apply	Put to practical use
	Calculate	Ascertain or reckon mathematically
	Demonstrate	Prove with certainty or to exhibit by practical means
	Prepare	Make or get ready for use
	Reconcile	Make or prove consistent/compatible
	Solve	Find an answer to
	Tabulate	Arrange in a table

Example from C01 Fundamentals of Management Accounting syllabus

Component learning outcome – ‘Explain the importance of cost control and planning within organisations’

The verb ‘Explain’ is from Level 2 in the learning objective hierarchy. Therefore an assessment question based on this component learning outcome could use one of the verbs from level 2 or from the lower level 1 but a higher level verb could not be used to test this learning outcome.

Section B – Studying for C01 Fundamentals of Management Accounting

We recommend that, wherever possible, you attend a course taught by an approved CIMA Learning Quality Partner. Visit our college list at www.cimaglobal.com/colleges to find details of colleges local to you that teach the Certificate level.

The official CIMA study texts have full syllabus coverage for each new Certificate subject.

Exams based on the CIMA certificate in business accounting 2011 syllabus have been available since 3 October 2011.

Please ensure you are using the correct syllabus textbooks or learning material for the exams you intend to sit. Find out more and order your copies of the CIMA study texts from CIMA Publishing.

You can also study for the certificate subjects with CIMAstudy.com - the CIMA endorsed online study system.

Each subject has a '[Study Resources](#)' area on the website. From here you will find guides, reading lists and useful articles.

Question practice is an important part of preparing for the exams – find more information about [practice questions for C01](#).

CIMAsphere, our online community, provides a resource for students to share information and find expertise and support among peers, as well as gain advice from CIMA members and alumni. See the [certificate level discussion board](#).

You can choose to study for and take the five Certificate exams in any order and combination to suit your own study requirements. See Section F of this guide for links to further guidance.

Section C – Assessment strategy and assessment information

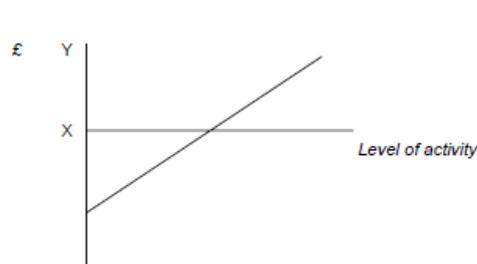
All exams under the 2011 Certificate syllabus are computer based. You can sit the exams at any time of the year in one of our accredited computer based assessment centres worldwide. [Find full details about entering certificate exams here.](#)

For C01 Fundamentals of Management Accounting there will be a two hour computer based assessment, comprising 50 compulsory questions, each with one or more parts. A variety of objective test question styles and types are used within each of the assessments. The most common type of objective test question is multiple choice. We also use other types of objective test questions such as matching pairs of text and graphic, sequencing and ranking, labelling diagrams and single and multiple numeric entry.

Guidance will normally be given with regard to the rounding of answers, for example “to 2 decimal places” or “to the nearest £” . If no guidance is given, then candidates should give their answers to 2 decimal places.

Examples of objective test questions for C01

Example question 1



The difference in the values (£) between point X and point Y on the profit volume chart shown above represents:

- A contribution
- B profit
- C breakeven
- D loss

Example question 2

X Ltd manufactures a product called the “ZT”. The original budget for next year was:

Annual sales	10,000 units
	£ per unit
Selling price	20
Variable cost	14
Fixed costs	$\frac{3}{3}$
Profit	3

If the selling price of the ZT were reduced by 10%, the sales revenue that would be needed to generate the original budgeted profit would be £-----

Receive results and feedback when you finish

The pass mark for each Certificate exam is 50%. A permanent credit is awarded to you if you score 50% or more.

You will see your results and indicative feedback onscreen as soon as your assessment has finished. It will take between five and seven days for your results to show in your MY CIMA account.

If you are successful, you will receive a certificate of achievement and your exam status will automatically be updated at CIMA.

If you are unsuccessful, the feedback will show where you should focus your studies in the syllabus. You can arrange your resit when you are ready.

Calculators

Keep up to date with guidance on using calculators in the Certificate computer based assessments. On-screen calculator is provided within the exam. [Guidance notes](#) on the calculator and how to test it are available [here](#).

Section D – Syllabus comparison

2011 C01 syllabus	2006 C01 syllabus	Comparison and comments
A. The context of management accounting 10%		A new section, introducing the concept of management accounting, and the role of the management accountant. It considers both CIMA's definitions, as well as those of IFAC. It also explores the role that CIMA plays on behalf of various stakeholders.
B. Cost identification and behaviour 25%	A. Cost Determination 25%	This section is an amalgamation of 2006 syllabus' Cost Determination, and Cost behaviour and Break Even analysis. The FIFO, LIFO and AVCO methods of accounting for stock have been removed (but still appear in C2).
C. Planning with organisations 30%	C. Standard Costing 15%	This section combines 2006's Standard Costing and Financial Planning and Control. Piecework and the principles of incentive schemes have been removed.
	E. Financial Planning and control 20%	All of this 2006 section is covered in Planning with Organisations.
D. Accounting control systems 20%	D. Costing and Accounting Systems 30%	This section has merely been renamed, plus the weighting has reduced from 30% to 20%.

E. Decision making 15%	B. Cost behaviour and Break Even Analysis 10%	Most of this section is lifted from the 2006 Cost behaviour and Break Even Analysis. NPV and IRR has transferred from the 2006 C3 paper; and the payback method is new.
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Section E – Exemptions

You may be exempt from some or all of the CIMA Certificate in Business Accounting exams if you have a relevant degree, have completed the AAT Technician stage, or have studied another professional accounting qualification.

You can find more information at www.cimaglobal.com/exemptions

Before accepting any exemptions you should consider the CIMA syllabus for the subject and make sure you are confident that you could pass it. This material will be built on in the later stages of CIMA's Professional qualification so it is important that you have a thorough understanding and good knowledge of any subject before accepting an exemption.

Section F - Useful reading

[The CIMA certificate in business accounting 2011 syllabus](#) (PDF 1MB).

[Transition arrangements](#) (PDF 27KB) between the 2006 and 2011 syllabi

[Article](#) published in the July/August 2011 issue of Financial Management summarising the subject changes.

Article published in the April 2011 issue of Velocity giving guidance on [starting to study the certificate level](#) including suggestions on how long you should aim to complete it in, study times and advice on which order to complete the subjects

[Exam video of online assessment and how to use on-screen calculator](#)

[Struggling with business English?](#)

[Struggling with mathematics?](#)

[Other useful articles from Financial Management and Velocity](#)