### **STUDY TEXT**

**Qualifications and Credit Framework** 

Q2022

This Study Text supports study for the following AAT qualifications:

AAT Level 3 Diploma in Accounting

AAT Level 3 Certificate in Bookkeeping

AAT Diploma in Accounting at SCQF Level 7

#### KAPLAN PUBLISHING'S STATEMENT OF PRINCIPLES

#### LINGUISTIC DIVERSITY, EQUALITY AND INCLUSION

We are committed to diversity, equality and inclusion and strive to deliver content that all users can relate to.

We are here to make a difference to the success of every learner.

Clarity, accessibility and ease of use for our learners are key to our approach.

We will use contemporary examples that are rich, engaging and representative of a diverse workplace.

We will include a representative mix of race and gender at the various levels of seniority within the businesses in our examples to support all our learners in aspiring to achieve their potential within their chosen careers.

Roles played by characters in our examples will demonstrate richness and diversity by the use of different names, backgrounds, ethnicity and gender, with a mix of sexuality, relationships and beliefs where these are relevant to the syllabus.

It must always be obvious who is being referred to in each stage of any example so that we do not detract from clarity and ease of use for each of our learners.

We will actively seek feedback from our learners on our approach and keep our policy under continuous review. If you would like to provide any feedback on our linguistic approach, please use this form (you will need to enter the link below into your browser).

#### https://forms.gle/U8oR3abiPpGRDY158

We will seek to devise simple measures that can be used by independent assessors to randomly check our success in the implementation of our Linguistic Equality, Diversity and Inclusion Policy

.

#### **British Library Cataloguing-in-Publication Data**

A catalogue record for this book is available from the British Library.

Published by Kaplan Publishing UK Unit 2, The Business Centre Molly Millars Lane Wokingham Berkshire RG41 2QZ

ISBN: 978-1-83996-044-4

The text in this material and any others made available by any Kaplan Group company does not amount to advice on a particular matter and should not be taken as such. No reliance should be placed on the content as the basis for any investment or other decision or in connection with any advice given to third parties. Please consult your appropriate professional adviser as necessary. Kaplan Publishing Limited and all other Kaplan group companies expressly disclaim all liability to any person in respect of any losses or other claims, whether direct, indirect, incidental, consequential or otherwise arising in relation to the use of such materials.

© Kaplan Financial Limited, 2021

Printed and bound in Great Britain.

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior written permission of Kaplan Publishing.

This Product includes content from the International Auditing and Assurance Standards Board (IAASB) and the International Ethics Standards Board for Accountants (IESBA), published by the International Federation of Accountants (IFAC) in 2015 and is used with permission of IFAC.

## **CONTENTS**

		Page number
Introduction		P.5
Unit guide		P.9
The assessment		P.25
Unit link to End Point Assessment		P.26
Study skills		P.27
ST	UDY TEXT	
Cha	apter	
1	Management accounting	1
2	Cost classification	13
3	Types of costing systems	43
4	Materials	75
5	Labour	127
6	Overheads	157
7	Short term decision making	211
8	Budgets and variance analysis	235
9	Principles of cash budgeting	263
10	Spreadsheet for management accounting	303
Mock Assessment Questions		395
Mock Assessment Answers		407
Index		I.1