Learning Outcomes | Assessment Criteria
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1. Identify and explain key terms and concept relevant to the study of costing | 1.1 Explain key costing terms
1.2 Explain why costing is an important part of management decision making, pricing decisions and analysing performance
2. Demonstrate an understanding of different methods of costing | 2.1 Explain different costing methods, including marginal costing and absorption costing, and when they would be used
2.2 Complete accurate calculations of different costing methods to include calculation of profit
3. Demonstrate an understanding of break-even analysis | 3.1 Explain the key points of break-even analysis
3.2 Calculate break-even points and identify margins of safety
3.3 Analyse the impact on break-even when there are changes in prices and costs
3.4 Evaluate the uses and limitations of break-even analysis as an aid to management decision making

Assessment Methodology
Two-hour supervised time-constrained assignments based on a series of numerical case studies on topics covered in this unit.

Grading of this Unit
The following grade descriptors will be applied to the assessment of this unit:

1. Understanding of the Subject
2. Application of Knowledge
3. Application of Skills
4. Use of Information
5. Communication and Presentation
6. Quality

Please refer to the QAA Grade Descriptors for detail of the components of each descriptor
### Indicative Content

Please note that the indicative content supplied below is intended as a suggested guide only. It is not meant to be a prescriptive, exhaustive or fully delivered content list.

**Assessment Criterion 1.1**

Terms such as direct costs, indirect costs, fixed costs, variable costs, semi-variable costs, stepped costs and break-even.