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| **Topic Overview** | |
| **Topic** | BAFS Elective Part – Accounting Module – Cost Accounting  A08: Cost-Volume-Profit Analysis |
| **Level** | S5 / S6 |
| **Duration** | 2 lessons (40 minutes per lesson) |

**Learning Objectives:**

1. To calculate contribution margin, margin of safety, sales volume/amount required to breakeven or to earn a target profit;
2. To understand the uses of Cost-Volume-Profit (CVP) analysis;
3. To apply CVP analysis for a single product and for multiple products.

**Prior Knowledge:**

Students should be familiar with classifying variable and fixed costs.

**Overview of Contents:**

Lesson 1 Cost-Volume-Profit analysis for a single product

Lesson 2 Cost-Volume-Profit analysis for multiple products

**Resources:**

* + Topic Overview, Teaching Plan
  + PowerPoint Presentation
  + Student Worksheet and Student Worksheet Answers

**Suggested activities:**

* Case study
* Group discussion

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| **Lesson 1** | |
| **Theme** | Cost-Volume-Profit analysis for a single product |
| **Duration** | 40 minutes |

**Expected Learning Outcomes:**

Upon completion of this lesson, students will be able to:

1. calculate contribution margin, margin of safety, sales volume/amount required to breakeven or to earn a target profit; and
2. apply CVP analysis for a single product.

**Teaching Sequence and Time Allocation:**

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| **Activities** | **Reference** | **Time**  **Allocation** |
| **Part I: Introduction** | | |
| * Teacher begins lesson by revising marginal costing with students. | PPT  #1-2 | 15 minutes |
| **Part II : Content** | | |
| * Teacher introduces the terms and the basic assumptions used in CVP analysis. * Teacher explains the meaning of breakeven. * **Activity 1 : Case Study 1**   + Teacher demonstrates the calculation of contribution per unit and breakeven in units.   + Teacher asks students to calculate margin of safety.   + Teacher checks answers with students. | PPT  #3-5  Student Worksheet  pp.1-2  PPT  #6-8 | 20 minutes |
| **Part III: Conclusion** | | |
| * Teacher concludes lesson and highlights key points. | PPT #9 | 5 minutes |

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| **Lesson 2** | |
| **Theme** | Cost-Volume-Profit analysis for multiple products |
| **Duration** | 40 minutes |

**Expected Learning Outcomes:**

Upon completion of this lesson, students will be able to:

1. apply CVP analysis for multiple products.

**Teaching Sequence and Time Allocation:**

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| **Activities** | **Reference** | **Time**  **Allocation** |
| **Part I : Introduction** | | |
| * Teacher revises CVP analysis for a single product. | PPT #10 | 5 minutes |
| **Part II : Content** | | |
| * Teacher explains how to apply CVP analysis for multiple products. * **Activity 2 : Case Study 2**   + Teacher asks students to read the case and answer the questions.   + Teacher checks answers with students and highlights the key points. | PPT #11  Student Worksheet  pp.3-4  PPT  #12-19 | 10 minutes  20 minutes |
| **Part III: Conclusion** | | |
| * Teacher concludes the lesson and highlights key points. | PPT  #20-22 | 5 minutes |