



Pillar P

P1 – Performance Operations

Specimen Examination Paper

Instructions to candidates

You are allowed three hours to answer this question paper.
You are allowed 20 minutes reading time before the examination begins during which you should read the question paper and, if you wish, highlight and/or make notes on the question paper. However, you will not be allowed, under any circumstances , to open the answer book and start writing or use your calculator during this reading time.
You are strongly advised to carefully read ALL the question requirements before attempting the question concerned (that is all parts and/or sub-questions). The requirements for questions 3 and 4 are contained in a dotted box.
ALL answers must be written in the answer book. Answers or notes written on the question paper will not be submitted for marking.
Answer the ONE compulsory question in Section A. This has seven sub-questions on pages 2 to 4.
Answer the SIX compulsory sub-questions in Section B on pages 5 to 7.
Answer the TWO compulsory questions in Section C on pages 8 to 10.
Maths Tables are provided on pages 11 to 14.
The list of verbs as published in the syllabus is given for reference on page 15.
Write your candidate number, the paper number and examination subject title in the spaces provided on the front of the answer book. Also write your contact ID and name in the space provided in the right hand margin and seal to close.
Tick the appropriate boxes on the front of the answer book to indicate which questions you have answered.

P1 – Performance Operations

TURN OVER

SECTION A – 20 MARKS

[Note: The indicative time for answering this section is 36 minutes]

ANSWER ALL SEVEN SUB-QUESTIONS IN THIS SECTION

Instructions for answering Section A:

The answers to the SEVEN sub-questions in Section A should ALL be written in your answer book.

Your answers should be clearly numbered with the sub-question number then ruled off, so that the markers know which sub-question you are answering. **For multiple choice questions, you need only write the sub-question number and the letter of the answer option you have chosen.** You do not need to start a new page for each sub-question.

For sub-questions **1.5** to **1.7** you should show your workings as marks are available for the method you use to answer these sub-questions.

Question One

1.1 The original budgeted profit statement for a product is as follows:

	\$
Revenue	200,000
Variable costs	100,000
Fixed costs	<u>36,000</u>
Profit	<u>64,000</u>

It has now been realised that sales volume will be 10% higher than budgeted volume with no change in selling price. The product has also been redesigned to lower variable costs by 20% per unit.

The percentage increase in the budgeted profit as a result of the two changes will be:

- A 2.0%
- B 30.0%
- C 50.0%
- D 62.5%

(2 marks)

- 1.2 A project has the following present values when discounted at the company's cost of capital of 8% per annum:

	\$
Initial investment	250,000
Cash inflows	500,000
Cash outflows	200,000

The sensitivity of the project to changes in the cash inflows is:

- A 8%
- B 10%
- C 20%
- D 50%

(2 marks)

The following data is for questions 1.3 and 1.4

D provides a motorist rescue service to its members. It has been proposed to change the annual membership fee to \$120 for the next year. The impact of this on the number of members is uncertain but the following estimates have been made:

Number of members	Probability
20,000	0.1
30,000	0.6
40,000	0.3

It is thought that the variable operating costs vary in relation to the number of members but the cost per member is uncertain. The following estimates have been made:

Variable cost per member	Probability
\$70	0.3
\$60	0.5
\$40	0.2

D expects to incur annual fixed costs of \$1,100,000.

- 1.3 Calculate, based on expected values, the profit for the next year

(2 marks)

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- 1.4 The Management Accountant of D has produced a two-way data table.

- (i) Calculate the value that would be shown in that table in the cell for the profit from 40,000 members with a variable cost per member of \$40.

(2 marks)

- (ii) Calculate the joint probability of having 20,000 members and a variable cost per member of \$40.

(2 marks)

- 1.5 GF wants to sell an unquoted bond. The bond has a coupon rate of 5% and will repay its face value of \$1,000 at the end of four years.

GF estimates that the market requires a yield to maturity of 11% from this type of bond. GF has asked you to recommend a selling price for the bond.

Calculate the selling price for the bond.

(4 marks)

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- 1.6 A company has the following information:

	Actual 31 December 2009	Forecast 30 June 2010
Balances	\$'000	\$'000
Trade receivables	75	80
Trade payables	47	40
Inventory of raw materials	29	31

The production budget for the six month period to 30 June 2010 shows that the cost of raw materials to be used in that period will be \$331,000.

Calculate the cash that will be paid to suppliers during the six month period to 30 June 2010.

(3 marks)

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- 1.7 A company's trade payables days outstanding at 30 September 2009 were 45 days. Purchases for the year to 30 September 2009 were \$324,444 occurring evenly throughout the year.

The company's budgeted purchases for the year ending 30 September 2010 are \$356,900 occurring evenly throughout the year.

Calculate the budgeted trade payables days outstanding at 30 September 2010.

(Assume that the trade payables outstanding balance at 30 September 2010 will be the same amount as at 30 September 2009.)

(3 marks)

(Total for Section A = 20 marks)

Reminder

All answers to Section A must be written in your answer book.

Answers or notes to Section A written on the question paper will **not** be submitted for marking.

End of Section A

SECTION B – 30 MARKS

[Note: The indicative time for answering this section is 54 minutes]

ANSWER ALL SIX SUB-QUESTIONS IN THIS SECTION – 5 MARKS EACH.

Question Two

- (a) A company manufactures office equipment in England but sells it in the UK and to overseas customers.

Current situation

UK customers (£2.1m annual revenue)

The company offers a cash discount of 3% for payment within 10 days to UK customers. Approximately 40% of customers take advantage of the early payment discount whilst the remainder pay in 30 days.

Overseas customers (£0.9m annual revenue)

All sales are on credit but customers are required to pay a 20% deposit when they place their orders and the balance in 60 days.

Debt factoring

The company is thinking about debt factoring. Investigations have revealed that a non-recourse factor will accept 85% of the company's UK customers. It is assumed that the remaining 15% will not take advantage of the early settlement discount.

Required:

Calculate, based on a 365-day year, the total debtors' days if

- (i) the current situation continues
- (ii) debt factoring is introduced

(5 marks)

- (b) Discuss the non-financial factors that a company would need to consider before making a decision to factor its debts.

(5 marks)

- (c) The manager of a hotel is deciding if he should carry out repairs to the hotel immediately or postpone them for a year. He has made the following estimates for the coming year:

The cost of the repairs would be £90,000.

If the repairs are started immediately there is only a two-in-three chance of them being completed in time. If the repairs are completed in time the contribution for the hotel could be any one of the three levels below with equally probability. If the repairs are not completed on time some rooms will be unavailable and consequently demand could be either medium or low, with equal probability.

Contribution for the coming year if the repairs are undertaken could be:

£200,000 if there is high demand
£150,000 if there is medium demand
£100,000 if demand is low

If the repairs are not undertaken the contribution for the coming year is estimated to be £37,500.

Required:

Demonstrate, using a decision tree, if the repairs should be started immediately or postponed for a year.

(5 marks)

- (d) A fast food outlet served the following number of burgers in the past 13 quarters:

	2007				2008				2009				2010
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Burgers '000	75	80	110	175	92	96	122	210	111	116	164	259	135

Regression analysis was used to determine the following equation for the trend of sales:

$$S = 134.23 + 7.945Q \text{ where}$$

S = quarterly sales ('000)

Q = quarter number. (The 13 quarters in the period Q1 2007 to Q1 2010 were coded from -6 through to +6).

Previous research has established that the sales follow a seasonal pattern:

Quarter	1	2	3	4
Seasonality	-25%	-25%	0	+50%

Required:

Calculate the number of burgers that are forecast to be sold in quarters 2, 3 and 4 of 2010.

(5 marks)

(e) Explain how a budget can cause conflict between “motivation” and “control”.

(5 marks)

(f) Two classifications of environmental costs are “environmental internal failure costs” and “environmental external failure costs”.

Explain each one of the two classifications of environmental costs mentioned above. Your answer should include, for each classification, an example of an activity that would cause such costs.

(5 marks)

(Total for Section B = 30 marks)

End of Section B

SECTION C – 50 MARKS

[Note: The indicative time for answering this section is 90 minutes]

ANSWER *BOTH* QUESTIONS IN THIS SECTION - 25 MARKS EACH.

Question Three

The Board of Directors of a company are considering two mutually exclusive projects. Both projects necessitate buying new machinery and both projects are expected to have a life of five years.

Project One

This project has already been evaluated. Details of the project are:

Initial investment needed	£500,000
Net present value	£41,000
Accounting rate of return	31%

Project Two

Details of Project Two are:

Year	1	2	3	4	5
Revenue (£000)	370	500	510	515	475
Operating costs (£000)	300	350	380	390	400
Depreciation (£000)	90	90	90	90	90

The figures for revenue and operating costs in the table above are cash flow estimates, have been stated at current values and are assumed to occur at the year end. However differential inflation is expected: 8% per annum for revenue and 6% per annum for operating costs.

The machinery will cost £500,000 and will be sold for £50,000 cash at the end of year 5.

Additional information

The company pays tax at 30%. Tax is paid and / or received one year in arrears.

The machines qualify for tax depreciation at the rate of 25% per annum on a reducing balance basis.

The company's cost of capital is 12% per annum. The current rate of return on investments in the money market is 7%.

The project chosen will be funded by internal funds.

The target accounting rate of return is 30%. The company defines "Accounting rate of return" as the average profit before tax divided by the average investment.

Required:

(a)

- (i) Calculate the Net Present Value and the Accounting Rate of Return of Project Two.

(12 marks)

- (ii) Prepare a report for the Board of Directors which

- recommends which of the projects, if any, they should invest in;
- identifies two non-financial factors that are relevant to the decision;
- explains the strengths and weaknesses of net present value and accounting rate of return.

(8 marks)

- (b)** A government organisation has a fixed interest ten-year loan. The interest rate on the loan is 8% per annum. The loan is being repaid in equal annual instalments at the end of each year. The amount borrowed was £250,000. The loan has just over 4 years to run.

Ignore taxation.

Required:

Calculate the present value of the amount outstanding on the loan.

(5 marks)

(Total for Question Three= 25 marks)

Question Four

A hospital specialises in the provision of a particular surgical procedure. The hospital seeks to provide a value-for-money service. In order to do this it hires teams of specialist staff on a sub-contract basis and pays them only for the hours that they have worked. The hospital uses a standard marginal costing system.

Overhead costs are attributed to the procedures based on direct labour cost.

Budget for November

Budgeted number of procedures to be performed: 20 procedures

Standard marginal cost per procedure:

Team fee	2 hours @ \$1,500 per hour	\$ 3,000
Variable overheads	65% of team fee	<u>1,950</u>
		4,950

The budgeted fixed overheads for November were \$48,000

Actual results for November

Procedures performed: 22 procedures

Costs incurred:

Team fees: the team worked 47 hours and were paid a total of \$75,400.
Variable overheads: \$48,000
Fixed overheads: \$46,000

Required:

- (a) Prepare a statement which reconciles the original budget cost for November and the actual costs incurred, in as much detail as possible.

(14 marks)

- (b) It has now been realised that the budgeted rate for the team should have been \$1,625 per hour.

Calculate the planning variance and the operational rate and efficiency variances for the team fees for November.

(6 marks)

- (c) Explain why budgetary control and standard costing are most effective when used together as a means of cost control in service-based organisations.

(5 marks)

(Total for Question Four = 25 marks)

MATHS TABLES AND FORMULAE

Present value table

Present value of \$1, that is $(1+r)^{-n}$ where r = interest rate; n = number of periods until payment or receipt.

Periods (n)	Interest rates (r)									
	1%	2%	3%	4%	5%	6%	7%	8%	9%	10%
1	0.990	0.980	0.971	0.962	0.952	0.943	0.935	0.926	0.917	0.909
2	0.980	0.961	0.943	0.925	0.907	0.890	0.873	0.857	0.842	0.826
3	0.971	0.942	0.915	0.889	0.864	0.840	0.816	0.794	0.772	0.751
4	0.961	0.924	0.888	0.855	0.823	0.792	0.763	0.735	0.708	0.683
5	0.951	0.906	0.863	0.822	0.784	0.747	0.713	0.681	0.650	0.621
6	0.942	0.888	0.837	0.790	0.746	0.705	0.666	0.630	0.596	0.564
7	0.933	0.871	0.813	0.760	0.711	0.665	0.623	0.583	0.547	0.513
8	0.923	0.853	0.789	0.731	0.677	0.627	0.582	0.540	0.502	0.467
9	0.914	0.837	0.766	0.703	0.645	0.592	0.544	0.500	0.460	0.424
10	0.905	0.820	0.744	0.676	0.614	0.558	0.508	0.463	0.422	0.386
11	0.896	0.804	0.722	0.650	0.585	0.527	0.475	0.429	0.388	0.350
12	0.887	0.788	0.701	0.625	0.557	0.497	0.444	0.397	0.356	0.319
13	0.879	0.773	0.681	0.601	0.530	0.469	0.415	0.368	0.326	0.290
14	0.870	0.758	0.661	0.577	0.505	0.442	0.388	0.340	0.299	0.263
15	0.861	0.743	0.642	0.555	0.481	0.417	0.362	0.315	0.275	0.239
16	0.853	0.728	0.623	0.534	0.458	0.394	0.339	0.292	0.252	0.218
17	0.844	0.714	0.605	0.513	0.436	0.371	0.317	0.270	0.231	0.198
18	0.836	0.700	0.587	0.494	0.416	0.350	0.296	0.250	0.212	0.180
19	0.828	0.686	0.570	0.475	0.396	0.331	0.277	0.232	0.194	0.164
20	0.820	0.673	0.554	0.456	0.377	0.312	0.258	0.215	0.178	0.149

Periods (n)	Interest rates (r)									
	11%	12%	13%	14%	15%	16%	17%	18%	19%	20%
1	0.901	0.893	0.885	0.877	0.870	0.862	0.855	0.847	0.840	0.833
2	0.812	0.797	0.783	0.769	0.756	0.743	0.731	0.718	0.706	0.694
3	0.731	0.712	0.693	0.675	0.658	0.641	0.624	0.609	0.593	0.579
4	0.659	0.636	0.613	0.592	0.572	0.552	0.534	0.516	0.499	0.482
5	0.593	0.567	0.543	0.519	0.497	0.476	0.456	0.437	0.419	0.402
6	0.535	0.507	0.480	0.456	0.432	0.410	0.390	0.370	0.352	0.335
7	0.482	0.452	0.425	0.400	0.376	0.354	0.333	0.314	0.296	0.279
8	0.434	0.404	0.376	0.351	0.327	0.305	0.285	0.266	0.249	0.233
9	0.391	0.361	0.333	0.308	0.284	0.263	0.243	0.225	0.209	0.194
10	0.352	0.322	0.295	0.270	0.247	0.227	0.208	0.191	0.176	0.162
11	0.317	0.287	0.261	0.237	0.215	0.195	0.178	0.162	0.148	0.135
12	0.286	0.257	0.231	0.208	0.187	0.168	0.152	0.137	0.124	0.112
13	0.258	0.229	0.204	0.182	0.163	0.145	0.130	0.116	0.104	0.093
14	0.232	0.205	0.181	0.160	0.141	0.125	0.111	0.099	0.088	0.078
15	0.209	0.183	0.160	0.140	0.123	0.108	0.095	0.084	0.079	0.065
16	0.188	0.163	0.141	0.123	0.107	0.093	0.081	0.071	0.062	0.054
17	0.170	0.146	0.125	0.108	0.093	0.080	0.069	0.060	0.052	0.045
18	0.153	0.130	0.111	0.095	0.081	0.069	0.059	0.051	0.044	0.038
19	0.138	0.116	0.098	0.083	0.070	0.060	0.051	0.043	0.037	0.031
20	0.124	0.104	0.087	0.073	0.061	0.051	0.043	0.037	0.031	0.026

Cumulative present value of \$1 per annum, Receivable or Payable at the end of each year for n years $\frac{1-(1+r)^{-n}}{r}$

Periods (n)	Interest rates (r)									
	1%	2%	3%	4%	5%	6%	7%	8%	9%	10%
1	0.990	0.980	0.971	0.962	0.952	0.943	0.935	0.926	0.917	0.909
2	1.970	1.942	1.913	1.886	1.859	1.833	1.808	1.783	1.759	1.736
3	2.941	2.884	2.829	2.775	2.723	2.673	2.624	2.577	2.531	2.487
4	3.902	3.808	3.717	3.630	3.546	3.465	3.387	3.312	3.240	3.170
5	4.853	4.713	4.580	4.452	4.329	4.212	4.100	3.993	3.890	3.791
6	5.795	5.601	5.417	5.242	5.076	4.917	4.767	4.623	4.486	4.355
7	6.728	6.472	6.230	6.002	5.786	5.582	5.389	5.206	5.033	4.868
8	7.652	7.325	7.020	6.733	6.463	6.210	5.971	5.747	5.535	5.335
9	8.566	8.162	7.786	7.435	7.108	6.802	6.515	6.247	5.995	5.759
10	9.471	8.983	8.530	8.111	7.722	7.360	7.024	6.710	6.418	6.145
11	10.368	9.787	9.253	8.760	8.306	7.887	7.499	7.139	6.805	6.495
12	11.255	10.575	9.954	9.385	8.863	8.384	7.943	7.536	7.161	6.814
13	12.134	11.348	10.635	9.986	9.394	8.853	8.358	7.904	7.487	7.103
14	13.004	12.106	11.296	10.563	9.899	9.295	8.745	8.244	7.786	7.367
15	13.865	12.849	11.938	11.118	10.380	9.712	9.108	8.559	8.061	7.606
16	14.718	13.578	12.561	11.652	10.838	10.106	9.447	8.851	8.313	7.824
17	15.562	14.292	13.166	12.166	11.274	10.477	9.763	9.122	8.544	8.022
18	16.398	14.992	13.754	12.659	11.690	10.828	10.059	9.372	8.756	8.201
19	17.226	15.679	14.324	13.134	12.085	11.158	10.336	9.604	8.950	8.365
20	18.046	16.351	14.878	13.590	12.462	11.470	10.594	9.818	9.129	8.514

Periods (n)	Interest rates (r)									
	11%	12%	13%	14%	15%	16%	17%	18%	19%	20%
1	0.901	0.893	0.885	0.877	0.870	0.862	0.855	0.847	0.840	0.833
2	1.713	1.690	1.668	1.647	1.626	1.605	1.585	1.566	1.547	1.528
3	2.444	2.402	2.361	2.322	2.283	2.246	2.210	2.174	2.140	2.106
4	3.102	3.037	2.974	2.914	2.855	2.798	2.743	2.690	2.639	2.589
5	3.696	3.605	3.517	3.433	3.352	3.274	3.199	3.127	3.058	2.991
6	4.231	4.111	3.998	3.889	3.784	3.685	3.589	3.498	3.410	3.326
7	4.712	4.564	4.423	4.288	4.160	4.039	3.922	3.812	3.706	3.605
8	5.146	4.968	4.799	4.639	4.487	4.344	4.207	4.078	3.954	3.837
9	5.537	5.328	5.132	4.946	4.772	4.607	4.451	4.303	4.163	4.031
10	5.889	5.650	5.426	5.216	5.019	4.833	4.659	4.494	4.339	4.192
11	6.207	5.938	5.687	5.453	5.234	5.029	4.836	4.656	4.486	4.327
12	6.492	6.194	5.918	5.660	5.421	5.197	4.988	4.793	4.611	4.439
13	6.750	6.424	6.122	5.842	5.583	5.342	5.118	4.910	4.715	4.533
14	6.982	6.628	6.302	6.002	5.724	5.468	5.229	5.008	4.802	4.611
15	7.191	6.811	6.462	6.142	5.847	5.575	5.324	5.092	4.876	4.675
16	7.379	6.974	6.604	6.265	5.954	5.668	5.405	5.162	4.938	4.730
17	7.549	7.120	6.729	6.373	6.047	5.749	5.475	5.222	4.990	4.775
18	7.702	7.250	6.840	6.467	6.128	5.818	5.534	5.273	5.033	4.812
19	7.839	7.366	6.938	6.550	6.198	5.877	5.584	5.316	5.070	4.843
20	7.963	7.469	7.025	6.623	6.259	5.929	5.628	5.353	5.101	4.870

Formulae

PROBABILITY

$A \cup B = \mathbf{A \text{ or } B}$. $A \cap B = \mathbf{A \text{ and } B}$ (overlap).

$P(B | A)$ = probability of B , given A .

Rules of Addition

If A and B are mutually exclusive: $P(A \cup B) = P(A) + P(B)$

If A and B are **not** mutually exclusive: $P(A \cup B) = P(A) + P(B) - P(A \cap B)$

Rules of Multiplication

If A and B are *independent*: $P(A \cap B) = P(A) * P(B)$

If A and B are **not** independent: $P(A \cap B) = P(A) * P(B | A)$

$E(X) = \sum (\text{probability} * \text{payoff})$

Quadratic Equations

If $aX^2 + bX + c = 0$ is the general quadratic equation, the two solutions (roots) are given by:

$$X = \frac{-b \pm \sqrt{b^2 - 4ac}}{2a}$$

DESCRIPTIVE STATISTICS

Arithmetic Mean

$$\bar{x} = \frac{\sum x}{n} \quad \bar{x} = \frac{\sum fx}{\sum f} \quad (\text{frequency distribution})$$

Standard Deviation

$$SD = \sqrt{\frac{\sum (x - \bar{x})^2}{n}} \quad SD = \sqrt{\frac{\sum fx^2}{\sum f} - \bar{x}^2} \quad (\text{frequency distribution})$$

INDEX NUMBERS

Price relative = $100 * P_1/P_0$ Quantity relative = $100 * Q_1/Q_0$

Price:
$$\frac{\sum w * \left(\frac{P_1}{P_0}\right)}{\sum w} * 100$$

Quantity:
$$\frac{\sum w * \left(\frac{Q_1}{Q_0}\right)}{\sum w} * 100$$

TIME SERIES

Additive Model

Series = Trend + Seasonal + Random

Multiplicative Model

Series = Trend * Seasonal * Random

LINEAR REGRESSION AND CORRELATION

The linear regression equation of Y on X is given by:

$$Y = a + bX \text{ or } Y - \bar{Y} = b(X - \bar{X})$$

where

$$b = \frac{\text{Covariance}(XY)}{\text{Variance}(X)} = \frac{n \sum XY - (\sum X)(\sum Y)}{n \sum X^2 - (\sum X)^2}$$

and

$$a = \bar{Y} - b\bar{X}$$

or solve

$$\begin{aligned} \sum Y &= na + b \sum X \\ \sum XY &= a \sum X + b \sum X^2 \end{aligned}$$

Coefficient of correlation

$$r = \frac{\text{Covariance}(XY)}{\sqrt{\text{Var}(X) \cdot \text{Var}(Y)}} = \frac{n \sum XY - (\sum X)(\sum Y)}{\sqrt{\{n \sum X^2 - (\sum X)^2\} \{n \sum Y^2 - (\sum Y)^2\}}}$$

$$R(\text{rank}) = 1 - \frac{6 \sum d^2}{n(n^2 - 1)}$$

FINANCIAL MATHEMATICS

Compound Interest (Values and Sums)

Future Value S , of a sum of X , invested for n periods, compounded at $r\%$ interest

$$S = X[1 + r]^n$$

Annuity

Present value of an annuity of £1 per annum receivable or payable for n years, commencing in one year, discounted at $r\%$ per annum:

$$PV = \frac{1}{r} \left[1 - \frac{1}{[1 + r]^n} \right]$$

Perpetuity

Present value of £1 per annum, payable or receivable in perpetuity, commencing in one year, discounted at $r\%$ per annum:

$$PV = \frac{1}{r}$$

LIST OF VERBS USED IN THE QUESTION REQUIREMENTS

A list of the learning objectives and verbs that appear in the syllabus and in the question requirements for each question in this paper.

It is important that you answer the question according to the definition of the verb.

LEARNING OBJECTIVE	VERBS USED	DEFINITION
Level 1 - KNOWLEDGE What you are expected to know.	List State Define	Make a list of Express, fully or clearly, the details/facts of Give the exact meaning of
Level 2 - COMPREHENSION What you are expected to understand.	Describe Distinguish Explain Identify Illustrate	Communicate the key features Highlight the differences between Make clear or intelligible/State the meaning or purpose of Recognise, establish or select after consideration Use an example to describe or explain something
Level 3 - APPLICATION How you are expected to apply your knowledge.	Apply Calculate/compute Demonstrate Prepare Reconcile Solve Tabulate	To put to practical use Ascertain or reckon mathematically To prove with certainty or to exhibit by practical means Make or get ready for use Make or prove consistent/compatible Find an answer to Arrange in a table
Level 4 - ANALYSIS How you are expected to analyse the detail of what you have learned.	Analyse Categorise Compare and contrast Construct Discuss Interpret Prioritise Produce	Examine in detail the structure of Place into a defined class or division Show the similarities and/or differences between Build up or compile Examine in detail by argument Translate into intelligible or familiar terms Place in order of priority or sequence for action Create or bring into existence
Level 5 - EVALUATION How you are expected to use your learning to evaluate, make decisions or recommendations.	Advise Evaluate Recommend	Counsel, inform or notify Appraise or assess the value of Propose a course of action

Performance Pillar

Operational Level Paper

P1 – Performance Operations

Specimen Paper

Wednesday Morning Session