



Exam MA1

Management Information

Pocket Notes

The Kaplan Publishing logo is contained within a dark blue rounded rectangle. It features the word 'KAPLAN' in white, uppercase, sans-serif font, with a white curved line underneath it. Below this, the word 'PUBLISHING' is written in a smaller, white, uppercase, sans-serif font.

KAPLAN
PUBLISHING

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 978-1-83996-155-7

© Kaplan Financial Limited, 2022

Printed and bound in Great Britain.

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.

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.

Contents

Chapter 1	Business organisation	1
Chapter 2	Introduction to management information.....	9
Chapter 3	Classification of costs and cost behaviour	17
Chapter 4	Coding of costs and income.....	21
Chapter 5	Materials cost	25
Chapter 6	Labour costs.....	35
Chapter 7	Expenses and absorption of overheads.....	43
Chapter 8	Marginal and absorption costing	51
Chapter 9	Job, batch and process costing.....	57
Chapter 10	Comparison of information and performance indicators	67
Chapter 11	The spreadsheet system	75
Index	I.1

Preface

These Pocket Notes contain everything you need to know for the exam, presented in a unique visual way that makes revision easy and effective.

Written by experienced lecturers and authors, these Pocket Notes break down content into manageable chunks to maximise your concentration.

Quality and accuracy are of the utmost importance to us so if you spot an error in any of our products, please send an email to mykaplanreporting@kaplan.com with full details, or follow the link to the feedback form in MyKaplan.

Our Quality Co-ordinator will work with our technical team to verify the error and take action to ensure it is corrected in future editions.

Introduction

In this chapter

- Overview of the examination.
- Keys to success.

Overview of the examination

This examination consists of 50 multiple choice questions – the examination itself lasts two hours. Computer based options are available.

Overview of the syllabus

The nature and purpose of Cost and management accounting

Source documents and coding

Cost classification and measurement

Recording costs

Providing Information

The spreadsheet system

Keys to success

As the examination is multiple choice only, you do need to consider the following:

- Multiple choice questions allow the examiner to cover a significant amount of the syllabus within each examination. This means you cannot simply learn say 50% of the syllabus and hope to achieve a pass standard – you will need to learn the entire syllabus to maximise your chances of passing.
- Questions are a mix of theory and practical. Be prepared to have to make appropriate calculations to find an answer – and always check that your answer is reasonable before marking your solution, e.g. an adverse variance of \$30,000 is unlikely to be correct when total expenditure is only \$20,000.
- Your question practice must be focused on multiple choice questions. As part of your revision, work through the questions in the Study Text and any question banks you may have to ensure you understand the style of question asked.
- Remember in the examination, you can answer questions in any order (as long as you complete the multiple choice boxes on the Candidate Registration Sheet correctly). It is therefore worth completing the easier questions first and then re-visit the more difficult questions at the end of the examination. This approach will (hopefully) ensure you have obtained the easy marks if you run out of time.

Finally, when all else fails – guess – there is no negative marking.