

Management Accounting: 17% of the total marks

Answer the question in terms of questions and mark allocation indicated in the question. Each question is marked as indicated and carry forward questions will be.

Management Accounting: 17% of the total marks (17% of 100 marks = 17 marks)

1. Contribution margin

The contribution margin is the amount of revenue that is left over after all variable costs have been deducted. It is calculated as follows: $\text{Contribution Margin} = \text{Sales} - \text{Variable Costs}$. The contribution margin is an important measure of profitability because it shows the amount of revenue that is available to cover fixed costs and generate profit.

2. Break-even sales volume

The break-even sales volume is the amount of sales that is required to cover all fixed costs. It is calculated as follows: $\text{Break-Even Sales Volume} = \frac{\text{Fixed Costs}}{\text{Contribution Margin per Unit}}$. The break-even sales volume is an important measure of profitability because it shows the amount of sales that is required to cover all fixed costs and generate profit.

3. Break-even sales value

The break-even sales value is the amount of sales that is required to cover all fixed costs. It is calculated as follows: $\text{Break-Even Sales Value} = \frac{\text{Fixed Costs}}{\text{Contribution Margin Ratio}}$.

4. Break-even sales value

The break-even sales value is the amount of sales that is required to cover all fixed costs. It is calculated as follows: $\text{Break-Even Sales Value} = \frac{\text{Fixed Costs}}{\text{Contribution Margin Ratio}}$.

5. Break-even sales value

The break-even sales value is the amount of sales that is required to cover all fixed costs. It is calculated as follows: $\text{Break-Even Sales Value} = \frac{\text{Fixed Costs}}{\text{Contribution Margin Ratio}}$.

6. Break-even sales value

The break-even sales value is the amount of sales that is required to cover all fixed costs. It is calculated as follows: $\text{Break-Even Sales Value} = \frac{\text{Fixed Costs}}{\text{Contribution Margin Ratio}}$.

17% of the total marks