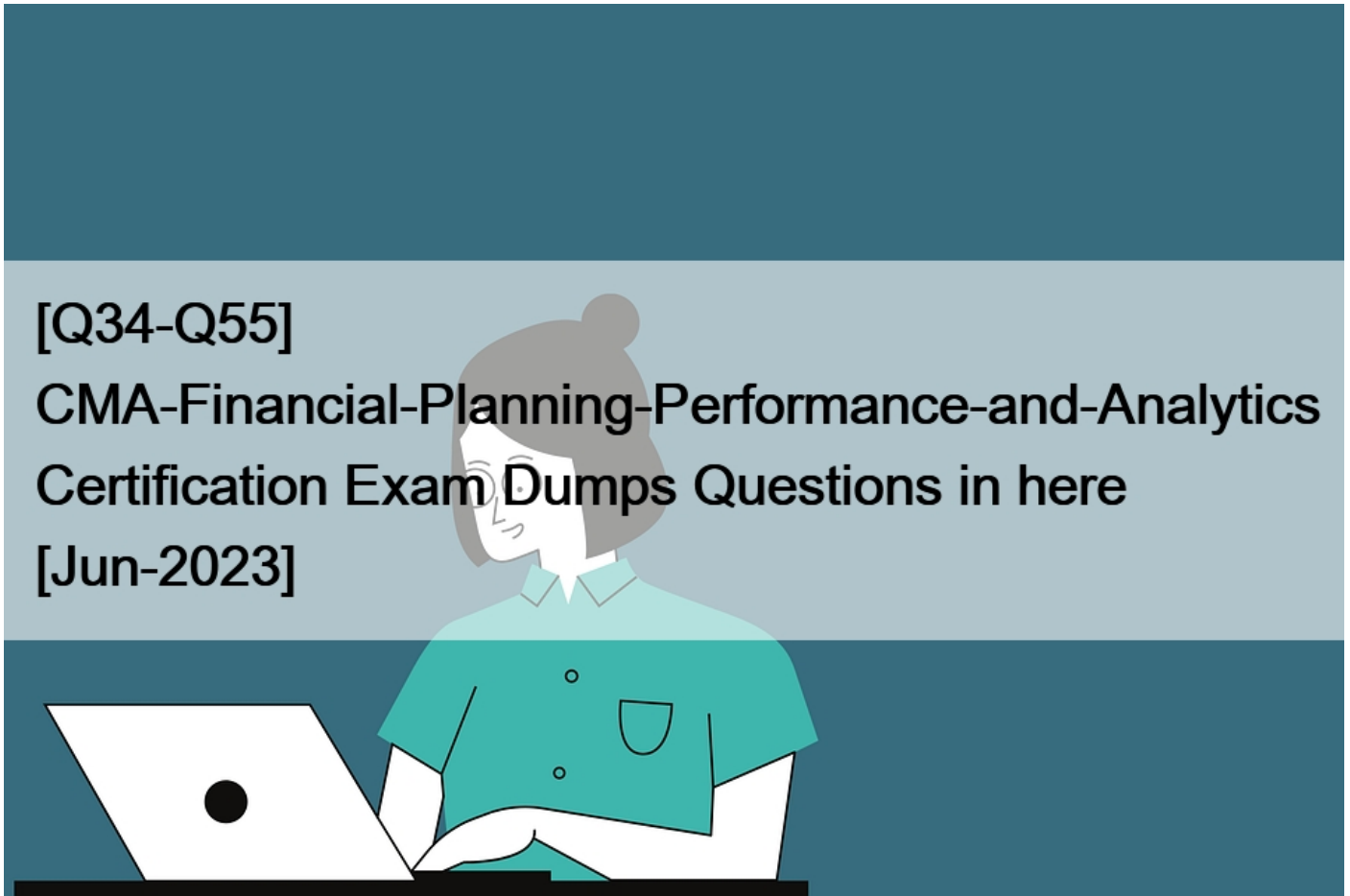


## [Q34-Q55 CMA-Financial-Planning-Performance-and-Analytics Certification Exam Dumps Questions in here [Jun-2023]



CMA-Financial-Planning-Performance-and-Analytics Certification Exam Dumps Questions in here [Jun-2023]  
Updated CMA-Financial-Planning-Performance-and-Analytics Exam Practice Test Questions

The IMA CMA-Financial-Planning-Performance-and-Analytics (CMA Part 1: Financial Planning - Performance and Analytics) Exam is a certification exam offered by the Institute of Management Accountants (IMA) to individuals seeking to earn the Certified Management Accountant (CMA) designation. This exam focuses on financial planning, analysis, control, and decision-making skills. It covers topics such as financial statement analysis, cost management, budgeting, forecasting, and performance management. The exam consists of 100 multiple-choice questions and two essay questions, and candidates have four hours to complete it.

The IMA CMA-Financial-Planning-Performance-and-Analytics (CMA Part 1: Financial Planning - Performance and Analytics) Exam is a globally recognized certification program for professionals in the field of management accounting and financial planning. The exam is designed to test the knowledge and skills of candidates in areas such as financial planning, budgeting, forecasting, performance management, and analysis.

### QUESTION 34

After a recent earthquake in a nearby city the board of directors of a company has requested a review of the company's disaster recovery plan. Which of the following would be classified as a weakness in the company's disaster recovery plan?

- \* Management has decided not to maintain a hot site because it was determined that the costs outweigh the benefits.
- \* The details of the disaster recovery plan stipulate that internal audit should review the plan every other year rather than annually.
- \* A cold site with backup data and documents is maintained on the basement level of the company's headquarters.
- \* Members of the company's disaster recovery team maintain current copies of the disaster recovery plan in their homes.

### QUESTION 35

A company incurred the following selected costs in its manufacturing operations during the month.

- \* \$20,000
- \* \$21,000
- \* \$22,000
- \* \$23,000

### QUESTION 36

In order for the IT manager in charge of a company's disaster recovery plan to have complete planning documentation, he should ensure that the documentation includes all of the following except

- \* the results of the latest disaster recovery test run
- \* the phone numbers of key employees
- \* vendors who will set up the hot site
- \* program and operating system documentation

### QUESTION 37

Huaxia Manufacturing's standard cost card for product GH1 includes the following:

<u>Direct Materials</u>	<u>Standard Quantity</u>	<u>Standard Price</u>	<u>Standard Unit Cost</u>
Fabric	2 yards	\$3.50 per yard	\$7.00

During the month of June, Huaxia produced 12,300 units. The purchasing department purchased 30,400 yards of fabric for a total cost of \$100,320. The production department used 25,300 yards of fabric in June. What is Huaxia's direct materials price variance for the month of June?

- \* \$2,450 unfavorable
- \* \$6,080 favorable
- \* \$14,220 unfavorable
- \* \$11,770 unfavorable

### QUESTION 38

A company has prepared the following pro forma income statements. It plans to sell 10,000 units in the current year and 11,500 units next year.

	<u>Current Year</u>	<u>Next Year</u>
Total sales	\$990,000	\$1,115,730
Cost of goods sold	<u>350,000</u>	<u>391,000</u>
Gross profit	640,000	724,730
Operating expenses	<u>125,000</u>	<u>136,500</u>
Net operating profit	<u>\$ 515,000</u>	<u>\$ 588,230</u>

- \* Increase sales revenue by 15%.
- \* Reduce cost of goods sold by \$1.00 per unit
- \* Increase gross profit margin by 15%
- \* Reduce operating expenses by \$1.00 per unit

### QUESTION 39

A manufacturing company is considering implementing activity-based costing. Which one of the following statements is a valid consideration when making this change?

- \* Activity-based costing systems may not replace traditional costing systems used for preparing external financial statements.
- \* Companies that make diverse products are least likely to benefit from activity based costing
- \* An activity-based costing system is more costly to maintain than a traditional costing system
- \* In an activity-based costing system, all costs including idle capacity costs, are allocated to products, customers and other costing objects

### QUESTION 40

GorCo anticipates 10% sales growth each month for the next three months, and plans to sell 120,000 units of finished goods in the first month. The company plans production so that ending inventory is equal to 5% of the next month's budgeted sales. On GorCo's production budget for the second month the number of finished goods units to be produced would be

- \* 131,340.
- \* 132,000.
- \* 132,600.
- \* 132,660.

### QUESTION 41

Redstone, Inc.'s budget indicated that it expected to sell 30,000 units of Product A and 90,000 units of Product B. Budgeted unit contribution margins were \$4 for Product A and \$22 for Product B. Redstone's actual sales were 28,000 units of Product A and 72,000 units of Product B with actual unit contribution margins of \$3.25 and \$23.50, respectively. Redstone's sales-mix variance was

- \* \$54,000 unfavorable
- \* \$60,750 unfavorable
- \* \$64,800 unfavorable
- \* \$78,000 unfavorable.

### QUESTION 42

Edward Pane is an external auditor who is seeking an understanding of the cash receipts process at his new client. Pane decides to use a flowchart to analyze the operations for efficiency and control. Which one of the following statements is true with respect to the decision to use a flowchart for this purpose?

- \* Pane should not use a flowchart as it is used primarily after the risks have been identified
- \* Pane should not have selected a flowchart as it is better suited to help with compliance testing of existing controls

- \* Pane property selected the flowchart as a tool to match each of the risks to the corresponding primary control
- \* Pane property selected the flowchart as it will help to depict the process and identify any missing or inadequate controls

### QUESTION 43

A company recently used 500 direct labor hours to manufacture ten units of a new product, if the company employs the cumulative average-time learning model with a 90% learning curve, the number of direct labor hours the company would expect to use to produce the next ten units of this product is

- \* 500
- \* 475
- \* 450
- \* 400

### QUESTION 44

Sullivan Company's static Budget for the past year is shown below.

Units expected to be sold	10,000,000
Sales dollars	100,000,000
Cost of sales (60% variable)	45,000,000
Other costs (all fixed)	48,000,000
Income before taxes	7,000,000
Income taxes	2,800,000
Net income	\$4,200,000

Sullivan actually sold 11,000,000 units throughout the year which was a quantity within its relevant range. The flexible budget net income that should be used to compare to actual results is

- \* \$4,200,000.00
- \* \$7,500,000.00
- \* \$6,580,000.00
- \* \$11,500,000.00

### QUESTION 45

A corporation had foreign currency translation gains from converting the financial statements of its foreign operations into U.S. dollars. How will these gains be reported on the corporation's financial statements?

- \* As a current asset on the balance sheet
- \* As a net increase in cash in the operating activities section of the statement of cash flows
- \* As part of net income on the income statement
- \* As part of comprehensive income on the income statement

### QUESTION 46

The best way to illustrate the entire distribution of numerical data for a single variable is with a

- \* pie chart
- \* bubble chart
- \* histogram
- \* heat map

### QUESTION 47

Aeronautics Inc. has designed a new airplane that entails an extremely complex manufacturing process. Upon reviewing the market, management believes the price of the plane will need to be set below current manufacturing costs. Some on the management team have recommended stopping the project, however, the CFO believes that the plane will become profitable in the near future. The CFO most likely used which forecasting method?

- \* Time series.
- \* Learning curve analysis
- \* Exponential smoothing
- \* Cost-volume-profit analysis

### QUESTION 48

A company has two service departments, Security and Human Resources, and two operating departments, Assembly and Finishing. Cost data for these departments are shown below.

	<u>Security</u>	<u>Human Resources</u>	<u>Assembly</u>	<u>Finishing</u>
Costs	\$40,000	\$75,000	\$275,000	\$315,000
Number of employees	50	25	175	325
Number of HR hours used	100	75	180	270

To determine the full costs of conducting business in the operating departments, the company allocates service department costs to the operating departments. Security costs are allocated based on the number of employees, and Human Resources costs are allocated based on the number of Human Resources hours used using the step-down method. What amount of Security costs would be allocated to the Assembly department?

- \* \$12,727.
- \* \$13,333.
- \* \$18,773.
- \* \$20,000.

### QUESTION 49

A company extracts data from existing data sets to identify customer patterns. By doing this, the company is applying

- \* descriptive analysis
- \* diagnostic analysis
- \* predictive analysis
- \* prescriptive analysis

### QUESTION 50

Which one of the following is the most important factor in the successful implementation of a balanced scorecard?

- \* Providing a feedback mechanism
- \* Setting appropriate measurement criteria
- \* Linking the scorecard to external criteria
- \* Obtaining management buy-in and support

### QUESTION 51

Music Masters Inc. has three departments: Instrument Sales, Music Instruction and Recording Studio. The three segments are staffed by different customer service personnel but share space and administrative staff. Condensed income statement information follows.

	<u>Instrument</u> <u>Sales</u>	<u>Music</u> <u>Instruction</u>	<u>Recording</u> <u>Studio</u>	<u>Total</u>
Revenue	\$700,000	\$250,000	\$200,000	\$1,150,000
Variable expenses	400,000	125,000	130,000	655,000
Contribution margin	300,000	125,000	70,000	495,000
Traceable fixed costs	100,000	50,000	60,000	210,000
Common fixed costs	70,000	25,000	20,000	115,000
Net income	<u>\$130,000</u>	<u>\$50,000</u>	<u>\$(10,000)</u>	<u>\$170,000</u>

Management wants to eliminate the Recording Studio because of its losses. Because of the configuration of the building it is doubtful the space could be sublet and none of the common fixed costs would be eliminated. However, additional space allocated to either Instrument Sales or Music Instruction might increase revenue from those sources. In making this decision, all of the following outcomes are correct except.

- \* elimination of the Recording Studio will increase net income by \$10,000
- \* elimination of the Recording Studio will decrease net income by \$10,000
- \* net income will remain the same if the Recording Studio is eliminated and Music Instruction revenue increases \$20,000
- \* net income will increase if the Recording Studio is eliminated and instrument Sales increase \$25,000

## QUESTION 52

Life-cycle costing is most effective when used with products that have a

- \* long development period and many costs incurred during manufacturing
- \* long development period and many costs incurred prior to manufacturing
- \* short development period and many costs incurred during manufacturing
- \* short development period and few costs incurred prior to manufacturing

## QUESTION 53

A company had 100,000 shares of common stock issued and outstanding at January 1. During the year, the company took the following actions:

April 15 Declared a 2-for-1 stock split when the fair value of the stock was \$1.50 per share.  
December 15 Declared a \$0.50 per share cash dividend.

- \* \$50,000
- \* \$75,000.
- \* \$100,000.
- \* \$150,000

## QUESTION 54

A company has developed a core competency in data mining. Which one of the following best describes this core competency?

- \* Ability to derive valid information from large databases using statistical techniques
- \* Expertise in extracting data from large volumes of unstructured text using query tools
- \* SQL mastery for structuring data as a basis for applying data analytics

- \* Ability to develop recommendations for action based on the analysts of large data sets

### QUESTION 55

A manufacturing company is setting a standard number of labor hours for a product Management creates a draft standard and asks for employees' feedback. Which one of the following statements best represents the type of standard that is being set?

- \* A participative standard because It includes management's Input to determine the standard.
- \* An authoritative standard because the employees helped to determine the standard
- \* A participative standard because the employees will more likely view the standard as reasonable.
- \* An authoritative standard because management still will ensure the standard fits the strategy

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