



MBA DEGREE EXAMINATIONS: APRIL / MAY 2024

(Regulation 2022)

First Semester

MBA – PROJECT MANAGEMENT

P22MPF1502: Accounting for Management

COURSE OUTCOMES

CO1: Outline the basic concepts of accounting for management

CO2: Interpret financial statements for decision making

CO3: Construct different types of cost and budget estimates

Time: Two Hours

Maximum Marks: 50

PART A (5Q x 10 Marks = 50 Marks)

- 1 a) Explain the basic accounting principles with appropriate examples. CO1 [K₅]
How do these principles ensure the accuracy and reliability of financial statements?

(OR)

- 1 b) What is a balance sheet? Explain the uses and limitations of balance sheet? CO2 [K₅]

- 2 a) List the components and purpose of an Income Statement (Profit & Loss Account). How does it differ from a Balance Sheet? CO2 [K₄]

(OR)

- 2 b) From the following information estimate the following, CO2 [K₅]
1. Creditors Turnover Ratio
2. Average Payment Period

Particulars	Amount in ₹
Total Purchase	3,00,000

Cash Purchase	1,75,000
Purchase Return	25,000
Sundry Creditors on 1st Jan	30,000
Sundry Creditors on 31st Dec	15,000
Bills Payable on 1st Jan	7,000
Bills Payable on 31st Dec	8,000

- 3 a) Define cost and explain the elements of cost with suitable examples. CO3 [K₅]
How do these elements impact the overall costing process?

(OR)

- 3 b) Construct a Cost Sheet for XYZ Manufacturing for January given: CO3 [K₆]
Direct Materials: ₹3,000
Direct Labor: ₹2,000
Factory Overhead: ₹1,500
Administrative Expenses: ₹1,000
Selling & Distribution Expenses: ₹500
Units Produced: 1,000

- 4 a) Discuss the objectives and importance of budgeting and budgetary control in an organization. How does it aid in financial planning and management? CO3 [K₆]

(OR)

- 4 b) A company sells a product at a selling price of ₹50 per unit. The variable cost per unit is ₹20, and total fixed costs are ₹30,000. Estimate the sales volume required to achieve a target profit of ₹10,000. CO4 [K₅]

- 5 a) Define Zero-Based Budgeting (ZBB) and explain how it differs from traditional budgeting methods. What are the advantages and disadvantages of ZBB? CO3 [K₅]

(OR)

- 5 b) ABC Corporation prepares a cash budget for the upcoming quarter. The following information is available: CO3 [K₅]

Sales: ₹200,000 in January, ₹250,000 in February, ₹300,000 in March

Cash collections: 70% in the month of sale, 20% in the following month, and the remaining 10% in the second month after sale

Cash payments for operating expenses: ₹50,000 per month.

Cash payments for purchases: 60% in the month of purchase and 40% in the following month and opening cash balance is ₹50,000 for the month of January.

Construct a cash budget for January, February, and March.

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