Register Number:

DATE: 7-12-2022 (1 pm)

**ST. JOSEPH’S UNIVERSITY, BANGALORE-27**

**BBASF – ISEMESTER**

**SEMESTER EXAMINATION: OCTOBER 2022**

**(Examination conducted in December 2022)**

**BASF1321: FINANCIAL PLANNING & PERFORMANCE**

Time-2 hrs Max Marks-50

**This paper contains \_\_\_\_\_printed pages and three parts**

**Section A**

**I.** Answer ***any five*** of the following (**5x2 = 10 Marks)**

1. What is strategic planning?
2. Mention any four forecasting techniques?
3. State the meaning of Zero-Based Budgeting.
4. Write two differences between cash budget and cash flow statement budget.
5. What is master budget?
6. Give the meaning of Variance Analysis.

**Section B**

**II.** Answer ***any two*** of the following (**2x15 = 30 Marks)**

1. A. Briefly explain about SWOT analysis. (8 marks)

B. What is Learning Curve Analysis? For the below given different levels of units compute average time, total time and labour cost by applying Learning Curve Analysis.

Units: 3, 6, 9, 12, 15

Time taken to produce per unit is 10 hours, learning effect is 70% and labour cost is $100 per hour.

1. Prepare a cash budget from April to June, 2022 from the following information.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Months | Sales ($) | Materials ($) | Wages ($) | Overheads ($) |
| February | 14000 | 9600 | 3000 | 1700 |
| March | 15000 | 9000 | 3000 | 1900 |
| April | 16000 | 9200 | 3200 | 2000 |
| May | 17000 | 10000 | 3600 | 2200 |
| June | 18000 | 10400 | 4000 | 2300 |

Credit terms: 10% of sales are on cash basis and 50% of credit sales are collected next month and the balance in the following month.

Cash balance on 1st April 2022 is expected to be $6000.

Lag in payment of wages is ¼ a month and overheads ½ a month.

Plant and machinery would be installed in February, 2022 at a cost of $96000. The monthly instalment of $ 2000 is payable from April onward.

Advance to be received for sale of vehicles $9000 in June.

Dividends from investment amounting to $1000 are expected to be received in June.

Tax to be paid in June, is $2000.

1. A. Briefly explain Return on investment (ROI) (7 marks)

B. Discuss the application of Balanced Scorecard in an organisation. (8 marks)

**Section C**

**III.** Answer the question given below (**1x10 = 10 Marks)**

1. From the following data prepare static budget, flexible budget, actual budget, static variance and flexible variance.

|  |  |
| --- | --- |
| **Standard cost per unit** | **$** |
| Materials cost (per Kg) | 20 |
| Labour cost (for 2 hours $ 12) | 24 |
| Direct expenses | 18 |
| Fixed cost | 18 |

Budgeted sale price per unit is $150 and budgeted sales in units 5000, however company actually sold 4000 units at $160 and incurred actual following expenses:

Material cost $23 per unit, labour cost per unit $22, direct expense per unit $20 and total fixed cost $80000.