

**March 2022**  
**MBA- I SEMESTER**  
**Accounting for Decision Making (MS-102)**

Max. Marks:25

Time: 90 Minutes

- Instructions:**
1. It is compulsory to answer all the questions (1 marks each) of Part -A in short.
  2. Answer any three questions from Part -B in detail.
  3. Different sub-parts of a question are to be attempted adjacent to each other.

**PART -A**

- Q1 (a) Explain the term IFRS (1)
- (b) Do you think accounting standards play an important role? Explain. (1)
- (c) What do you mean by additional information given out of the trial balance? (1)  
 What do you do with them in preparing financial statement?
- (d) What are Cash and Funds in Cash Flow Statement and Fund Flow Statement (1)  
 respectively?
- (e) List out the elements of costing (1)
- (f) How do you see the role of cost control in decision- making? (1)
- (g) Explain briefly the term BEP. (1)
- (h) Define the principle of prudence in accounting. (1)
- (i) Differentiate between direct cost and indirect cost. (1)
- (j) Give an imaginary situation where a manager is required to take decision in make and buy decision. (1)

**PART -B**

- Q2 Do you agree that financial accounting starts where cost accounting ends and management accounting starts where financial accounting ends? Justify your answer. (5)
- Q3 (a) Show the adjustment of prepaid expenses in income statement and Balance sheet (2)
- (b) How you will treat bad debts and bad debts provision given out of the trial balance. (3)
- Q4 Differentiate between material cost variance and Labour cost variance. Explain the various material and Labour variances. (5)
- Q5 Do you think Financial statement analysis (FSA) is a tool to check the financial health of the business? Discuss in detail the various techniques of FSA. (5)
- Q6 Prepare a specimen of cost sheet with imaginary figures. (5)