

QP CODE 2055525202

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# DMI-ST. EUGENE UNIVERSITY

ZAMBIA

DEGREE EXAMINATION – JUNE 2024

Semester: V

552 MG 52 BUSINESS BUDGETING

Time: 3:00 Hours

Max. Marks: 100

Answer any FIVE Questions (5 x 20 = 100 Marks)

1. a) Define a Master Budget? (2 Marks)  
b) Define a budget manual and list the information contained in it. (6 Marks)  
c) Elaborate on the critical steps taken when preparing a budget. (12 Marks)
2. a) Define Benchmarking. (2 Marks)  
b) What makes performance based budgeting ineffective? Give a scenario. (4 Marks)  
c) Write short notes on the Logic Model. (4 Marks)  
d) Write short notes on the advantages and disadvantages of a Zero Based Budget. (10 Marks)
3. a) What is the meaning of business forecasting? (2 Marks)  
b) What role does capital expenditure play in investment banking? (6 Marks)  
c) Elaborate on any 3 types of Capital Expenditure. (12 Marks)
4. a) What is meant by “project”? (2 Marks)  
b) List the aspects that constitute a project. (4 Marks)  
c) Briefly explain on how to assess the economic feasibility of a project. (6 Marks)  
d) Explain the elements of a successful proposal. (8 Marks)
5. a) Define Variance Analysis. (2 Marks)  
b) Explain any 4 types of standards set by an organization to determine effectiveness of results. (12 Marks)  
c) List the advantages and disadvantages of variances and standards in business operations. (6 Marks)
6. a) What is a cost center goal statement? (2 Marks)  
b) What are the challenges to budget performance in government? (12 Marks)

- c) Give 2 differences between efficiency and effectiveness. **(6 Marks)**
- 7. a) Briefly explain how production decisions are crucial to the success of a business. **(4 Marks)**
- b) Elaborate on the factors that influence product decision making. **(12 Marks)**
- c) Write short notes on how variances are used to evaluate marketing effort. **(4 Marks)**