

UNIVERSITY OF SWAZILAND

INSTITUTE OF DISTANCE EDUCATION

FINAL EXAMINATION PAPER, MAY 2009

TITLE OF PAPER : FINANCIAL MANAGEMENT AND CONTROL

COURSE CODE : IDE-BAE 412 – 1&2

TIME ALLOWED : THREE (3) HOURS

INSTRUCTIONS:

- 1. ANSWER FOUR (4) QUESTIONS ONLY. TWO FROM SECTION A AND TWO FROM SECTION B.**
- 2. QUESTION ONE (1) IS COMPULSORY.**
- 3. ANSWERS SHOULD BE WRITTEN IN THE ANSWER BOOKLETS PROVIDED.**
- 4. DO NOT WRITE ON THE QUESTION PAPER.**
- 5. PORTABLE NON-PRINTING CALCULATORS ARE ALLOWED.**

THIS PAPER SHOULD NOT BE OPENED UNTIL PERMISSION HAS BEEN GRANTED BY THE INVIGILATOR.

SECTION A

QUESTION 1

The book keeper of Lokubuka Siga Motor Assessors (pty) has provided you with the following information relating to the business for the year ending 30 June 2008:

	"E"
1. Motor Vehicles (net)	138,330.00
2. Furniture & Fittings (net)	5,153.00
3. Computer Equipments (net)	1,140.00
4. Debtors	1,550.00
5. Creditors	70,920.00
6. Share Capital	2,400.00
7. Share Capital	100.00
8. Net Loss for the year	(37,113.00)
9. Directors Loan	251,705.00

Required:

From the information above, prepare Lokubuka Siga Motor Assessors balance Sheet as at 30 June 2008.

(30 marks)

QUESTION 2

Give any four stake holders who might be interested in the financial information of an organization. Identify reasons why they are interested in such information.

(20 marks)

QUESTION 3

Outline and discuss three types of responsible centres.

(20 marks)

QUESTION 4

What is the difference between cash budget and capital budget? What is the importance of financial management and control in an organization?

(20 marks)

SECTION B

QUESTION 5

- (i) Explain current assets and current liabilities with suitable examples.
- (ii) Identify two financial statements and discuss their uses.

(25 marks)

QUESTION 6

What is the role of internal control and its limitation in business environment?

(25 marks)

QUESTION 7

Discuss the role of internal control and its limitation in business environment.

(25 marks)

QUESTION 8

Perfect congruence between individual goals and organization goals does not exist. Discuss.

(25 marks)