

**UNIVERSITY OF SWAZILAND**  
**INSTITUTE OF DISTANCE EDUCATION**  
**BACHELOR OF EDUCATION (ADULT EDUCATION)**  
**YEAR V**  
**FINAL EXAMINATION PAPER, MAY 2011**

**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 (2) FROM SECTION A AND TWO (2) 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.**

**QUESTION 1** (Compulsory)

The following Trial Balance was extracted from the books of Betty Dlamini, a trader, at 31 December 2010.

<b>PARTICULARS</b>	<b>DR ('E')</b>	<b>CR ('E')</b>
Capital Account		21,620
Furniture & Fittings	1,800	
Purchases and Sales	94,800	129,600
Stock at 1 Jan., 2010	9,200	
Debtors and Creditors	10,600	7,800
Motor van	6,600	
Transport expenses	480	
General expenses	3,320	
Rent and Rates	3,600	
Provision for bad debts		240
Bad debts	980	
Discount received		1,100
Wages and Salaries	14,480	
Lighting & heating	1,600	
Drawings	11,000	
Bank	1,900	
<b>TOTALS</b>	<b>160,360</b>	<b>160,360</b>

Additional information:

1. Stock as at 31 December, 2010 was valued at E 12,880.
2. An amount of E 140 was owing for lighting and heating at 31 December, 2010.
3. The provision of Bad debt is to be reduced to E 180.
4. Provide depreciation on Motor Van at the rate 20%.
5. Provide depreciation on Furniture and fittings at a rate of 10%.
6. During the year 2010, Betty Dlamini withdrew goods valued at E600 from the business stock for her private use. No entry was made in the books for the withdrawal of these goods.

Required:

- (a) Prepare the Trading and Profit and Loss Accounts for the year ended 31 December 2010. [15 marks]
- (b) Draw up a Balance Sheet as at 31 December 2010. [15 marks].

**QUESTION 2**

Discuss any three (3) major sources of funds which an entrepreneur can think of to finance his/her business. [20marks]

**QUESTION 3**

Make a distinction between the statement of cash flows and a budget. [20marks]

**QUESTION 4**

Outline and discuss any three (3) types of responsibility centres. [20 marks]

**SECTION B****QUESTION 5**

What is the role of human resources in management control? [25 marks]

**QUESTION 6**

It is always argued that perfect congruence between individual goals and organisational goals does not exist. Discuss. [25 MARKS]

**QUESTION 7**

Outline the control procedures which a company can use to safeguard its assets and also to ensure that its accounting records are reliable. [25 marks]

**QUESTION 8**

What are the benefits and limitations of budgeting? [25marks]