

**UNIVERSITY OF SWAZILAND**  
**INSTITUTE OF DISTANCE EDUCATION**  
**BACHELOR OF EDUCATION (ADULT EDUCATION)**  
**YEAR V**  
**FINAL EXAMINATION PAPER, MAY 2016**

**TITLE OF PAPER:** FINANCIAL MANAGEMENT CONTROL IN ORGANIZATIONS

**COURSE CODE:** IDE-BAE 528

**TIME ALLOWED:** THREE (3) HOURS

**INSTRUCTIONS:**

1. ANSWER ALL QUESTIONS IN SECTION "A"
2. ANSWER ANY TWO (2) QUESTIONS FROM SECTION "B".
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 accountant of Dynamic Distributors has provided you with the following trial balance.

Dynamic Distributors Trial Balance as at 31 December 2015		
	Dr	Cr
	E	E
Sales		67,000
Purchases	42,600	
Lighting and heating expenses	1,900	
Rent	2,400	
Salaries	5,200	
Transport expenses	1,800	
Buildings	20,000	
Fixtures and Fittings	7,500	
Debtors	12,000	
Creditors		9,000
Bank	1,200	
Cash	400	
Drawings	9,000	
Capital		31,000
Inventory (at December 2014)	<u>3000</u>	<u>          </u>
	<u>107,000</u>	<u>107,000</u>

**Additional information**

Closing stock as at 31 December 2015 was E 5,500.

**Required:**

1. Prepare the profit and loss account of Dynamic Distributors for the year ended 31 December, 2015 [10 marks]
  2. Prepare the balance sheet of Dynamic Distributors as at 31 December, 2015. [10 marks]
  3. Why is it important to have positive net current assets and its implications if it is not positive? [10 marks]
- Total marks [30 marks]

**QUESTION 2**

What are the three motives of holding cash and what are their benefits.

[20 marks]

## **SECTION B**

### **QUESTION 3**

What are the sources of cash and how is cash used in organizations?

[25 marks]

### **QUESTION 4**

It is always argued that perfect congruence between individual goals and organizational goals doesn't exist. Discuss.

[25 MARKS]

### **QUESTION 5**

What is the role of human resources in management control?

[25 marks]