

**UNIVERSITY OF SWAZILAND**  
**INSTITUTE OF DISTANCE EDUCATION**  
**BACHELOR OF EDUCATION (ADULT EDUCATION)**  
**YEAR – V**  
**FINAL EXAMINATION PAPER – AUGUST 2020**  
**SECOND SEMESTER**

- COURSE TITLE : FINANCIAL MANAGEMENT CONTROL IN ORGANISATIONS-II**
- COURSE CODE : IDE-BAE 528**
- Time Allowed : Three (3) Hours**
- Total Marks : 100**
- Instructions :**
- 1. This paper consists of Section-A and Section-B.**
  - 2. Answer all the questions from Section-A and answer any two (2) questions from Section-B.**
  - 3. All questions carry equal marks.**
  - 4. Write your answers in the answer booklets provided.**
- Note : The neat and orderly presented answers will be rewarded.**

**This paper is not to be opened until permission has been granted by the Chief Invigilator.**

## SECTION-A

### QUESTION-1

Explain the Miller-Orr Model of cash management and its assumptions.

(25 Marks)

### QUESTION-2

From the following Balance Sheet of **Swazi Limited** and additional information, calculate:  
(i) Debt-Equity Ratio; (ii) Current Ratio; (iii) Debtors Turnover and Average Collection period;  
and (iv) Return on Capital Employed. And interpret the ratios. (25 Marks).

#### SWAZI LIMITED BALANCE SHEET As on the March 31, 2020

##### Owners' Equity and Liabilities

Equity Share Capital	E 290,000
Reserves & Surplus	40,000
Net Profit	100,000
9% Debentures	450,000
<b>Current Liabilities:</b>	
Creditors	250,000
Bank Overdraft	60,000
Tax provision	70,000

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1260,000  
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##### Assets

Net Fixed Assets	E 700,000
<b>Current Assets:</b>	
Debtors	110,000
Cash	130,000
Short-term securities	120,000
Inventory (stock)	200,000

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1260,000  
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##### Additional Information:

Sales

E 720,000

## **SECTION-B**

### **QUESTION-3**

What is Audit Report? Explain how any three (3) types of Audit Report are generated in any organization (25 Marks)

### **QUESTION-4**

Present three essential categories (components) of cash flow activities and discuss cash inflow and cash outflow activities that take place under each category. (25 Marks)

### **QUESTION-5**

What is Human Resource Management (HRM)? Explain new specialty areas in Human Resource Management?