

**MASTER OF ARTS (TOURISM MANAGEMENT)**

**Term-End Examination**

**June, 2012**

04910

**MTM-05 : ACCOUNTING AND FINANCE FOR MANAGERS AND TOURISM**

*Time : 3 hours*

*Maximum Marks : 100*

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*Note : Answer any five questions in about 600 words each.  
All questions carry equal marks unless otherwise specified.*

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1. Explain the following accounting concepts with examples in about 200 words each: 5x4=20
  - (a) Money measurement concept
  - (b) Accrual concept
  - (c) Consistency concept
  - (d) Materiality concept
  
2. What is depreciation ? What are the different methods of calculating depreciation ? 20
  
3. Differentiate between fund flow and cash flow statement by drawing specimens of both. 20
  
4. Discuss the scope of cost accounting and explain various elements of cost. 20

5. Distinguish between the theories of wealth maximization and profit maximization. Discuss the reasons why wealth maximization is preferred to profit maximization objective ? 20
  6. What is financial leverage ? Explain merits and demerits from the socio-economic stand point. 20
  7. What is meant by budgeting ? What are different types of budgets a Travel Agency Company would mainly prepare ? 20
  8. What is the importance of working capital management ? Explain various determinants of deciding the amount of working capital required for an organization. 20
  9. What are the various forms of dividend payments? Explain the factors a manager you would consider while deciding about an appropriate dividend policy. 20
  10. Discuss the uses of CVP analysis and its significance to management. 20
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