

MASTER'S IN TOURISM MANAGEMENT**Term-End Examination****June, 2007****MTM-5 : ACCOUNTING AND FINANCE
FOR MANAGERS IN TOURISM***Time : 3 hours**Maximum Marks : 100*

Note : Attempt any **five** questions in about 600 words each. All questions carry equal marks.

1. What is accounting ? Explain its relevance in an information and control system. 20

2. Explain in detail the following accounting concepts : 5+5+5+5
 - (a) Business entity concept
 - (b) Money measurement concept
 - (c) Continuity concept
 - (d) Accrual concept

3. In the context of cash flow statement, what are the sources and uses of cash ? 20

4. Explain and differentiate between the following : 10+10
- (a) Fixed and Variable cost
 - (b) Controllable and Uncontrollable cost
5. (a) What is CVP analysis ? Does it differ from break-even analysis ?
- (b) What is meant by margin of safety and how is it determined ? 10+10
6. Explain in detail the concept of Zero Base Budgeting. 20
7. Explain in detail the various Investment Appraisal Methods for capital projects. 20
8. Explain in detail the various determinants of working capital. 20
9. What are the determinants of capital structure ? 20
10. What is dividend and why is dividend decision important ? 20