

MASTER'S IN TOURISM MANAGEMENT

Term-End Examination

December, 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. Discuss in detail the following accounting concepts :
5+5+5+5
 - (a) Periodicity concept
 - (b) Materiality concept
 - (c) Consistency concept
 - (d) Cost concept

2. What is the scope of accounting ? Explain the evolutionary pattern of accounting. 20

3. What is depreciation ? Explain the various methods used for calculating depreciation. 20

4. What is a cash flow statement ? Explain the purposes of preparing cash flow statement. 20

5. Explain briefly the technique of marginal costing. In what ways is this technique better than absorption costing ? 20

6. What is a variance ? Why are the variances computed ? 20
7. Distinguish between Profit Maximisation and Wealth Maximisation objectives of the firm. 20
8. What is Zero Base Budgeting ? 20
9. Discuss the concept of working capital. 20
10. What is capital structure ? Explain the importance of capital structure and planning. 20