CS601

Question 1:

Mr. Imran has Rs.150, 000 in cash that he can deposit in any of four savings accounts in four different banks for a 7 year period. Bank A compounds interest on an annual basis; Bank B compounds interest twice each year; Bank C compounds interest each quarter and Bank D compounds interest on daily basis. All four banks have a stated annual interest rate of 12%. Required:

1. What amount would Mr. Imran have at the end of 7th year in each bank?
2. What effective annual interest rate would he earn in each of the four banks?
3. On the basis of your findings in a and b, which bank should Mr. Imran deal withand Why?

Question 2: Mr. Martin is considering the purchase of land for Rs.650, 000, which may be sold for Rs.850, 000 in 7 years. If the discount rate is 16% compounded quarterly, will this be a good investment?

Question 3: ST manufacturing company is offering the following bonds for issue. Calculate the value of each bond.

Answer:

Bond	Par Value (Rs.)	Coupon Rate (%)	Years to Maturity (Years)	Req. Stated Return (%)
A	1,000	7	12	8
B	500	12	15	10
C	100	16	20	12

Note:

1. In case of Bond A, interest payments are made annually
2. In case of Bond B, interest payments are made semi-annually
3. In case of Bond C, interest payments are made quarterly

Question 4: What is audit process and what is its importance?

Question 5: What is the information system and what is the importance in the accounting systems

Question 6: What is the primary difference between an operational audit and a compliance audit?

Question 7: What is the purpose of substantive procedure and define the "timing"

Question 8: Why binary search algorithm is more efficient than the linear search algorithm?

Answer:
Binary search algorithm is more efficient than liner algorithm because the arrays are sorted in asending or desending order and we use "devide and conqrer" technique. In binary search each iteration reduces the search by the factor of two but in the linear we have the same number of searches as we have the number of elements.e.g,if we have array of 1000 elements the linear search will take 1000 iterations however binary search will take max 10. (page 118)

Question 9: Why stream insertion and stream extraction operators cannot be overloaded as member functions?

Question 10: Why the first parameter of operator function for << operator must be passed by reference?